

CHUSKA ENERGY COMPANY

315 N. BEHREND • FARMINGTON, NEW MEXICO 87401 • PHONE: (505) 326-5525

RECEIVED
MAR 12 1990

DIVISION OF
OIL, GAS & MINING

March 9, 1990

State of Utah Department of Natural Resources
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Building, Suite 350
Salt Lake City, Utah 84180-1203

Ref: Application for Permit to Drill: Barnes 18M Well #1, San Juan County, Utah

Gentlemen

Attached for your examination and approval is the original and two copies of an Application for Permit to Drill the Barnes 18M Well No. 1 in San Juan County, Utah. This well will be drilled as part of an ongoing exploration program.

The location for this well falls outside the guidelines for the State of Utah spacing requirements. However, the topography of the area surrounding the desired location is such as to preclude the well being located in accordance with State requirements and yet remain in a position which will allow the well bore to penetrate geological structures which have been identified by seismic interpretation. We therefore apply for an exception to the General State Spacing requirements on topographic grounds. Chuska Energy controls the acreage surrounding the proposed site, as indicated on the attached land plat.

Please advise if you require additional information concerning this application. Chuska will greatly appreciate your prompt consideration.

Sincerely,


Donald S. Barnes
Operations Manager

DSB/csw
File: C:\WP\CSWH\BARN18M1\UTAHCOVR

encl.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK				5. Lease Designation and Serial No. NOG 8702-1116																
1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>				6. If Indian, Allottee or Tribe Name Navajo Tribal																
1b. Type of Well Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>				7. Unit Agreement Name 																
2. Name of Operator Chuska Energy Company				8. Farm or Lease Name Barnes 18M																
3. Address of Operator 315 North Behrend, Farmington, New Mexico 87401				9. Well No. 1																
4. Location of Well (Report location clearly and in accordance with any regulations.) At surface 801' FSL, 100' GAS & MINING <i>SWSW</i>				10. Field and Pool, or Wildcat Wildcat Aneth																
At proposed prod. zone Same				11. 00, Sec., T., R., M., or Bk. and Survey or Area S18 T40S R25E																
14. Distance in miles and direction from nearest town or post office* 				12. County or Parrish San Juan																
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drlg. line, if any) 				13. State Utah																
16. No. of acres in lease 		17. No. of acres assigned to this well 		22. Approx. date work will start* 6-1-90																
18. Distance from proposed location to nearest well, drilling, completed, or applied for, on this lease, ft. 		19. Proposed depth 7,226' MSSF		20. Rotary or cable tools Rotary																
21. Elevations (Show whether DF, RT, GR, etc.) 4,826' GR				23. PROPOSED CASING AND CEMENTING PROGRAM																
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Size of Hole</th> <th style="width: 15%;">Size of Casing</th> <th style="width: 15%;">Weight per Foot</th> <th style="width: 15%;">Setting Depth</th> <th style="width: 20%;">Quantity of Cement</th> </tr> </thead> <tbody> <tr> <td>12 1/4"</td> <td>8 5/8"</td> <td>24 lb</td> <td>500'</td> <td>371 sx '6' + 6% CaCl₂</td> </tr> <tr> <td>7 7/8"</td> <td>5 1/2"</td> <td>15.5-20 lb</td> <td>7,226'</td> <td>764 sx '6', 65:35 Poz + 6% Gel</td> </tr> </tbody> </table>						Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement	12 1/4"	8 5/8"	24 lb	500'	371 sx '6' + 6% CaCl ₂	7 7/8"	5 1/2"	15.5-20 lb	7,226'	764 sx '6', 65:35 Poz + 6% Gel
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7 7/8"	5 1/2"	15.5-20 lb	7,226'	764 sx '6', 65:35 Poz + 6% Gel																

Refer to attached 10-point Drilling Plan etc.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. I hereby certify that this report is true and complete to the best of my knowledge.

Signed: *Ronald S. Barnes* Title: Operations Manager Date: 3-9-90

(This space for Federal or State office use)

API NO. 43-037-31521 Approval Date APPROVED BY THE STATE

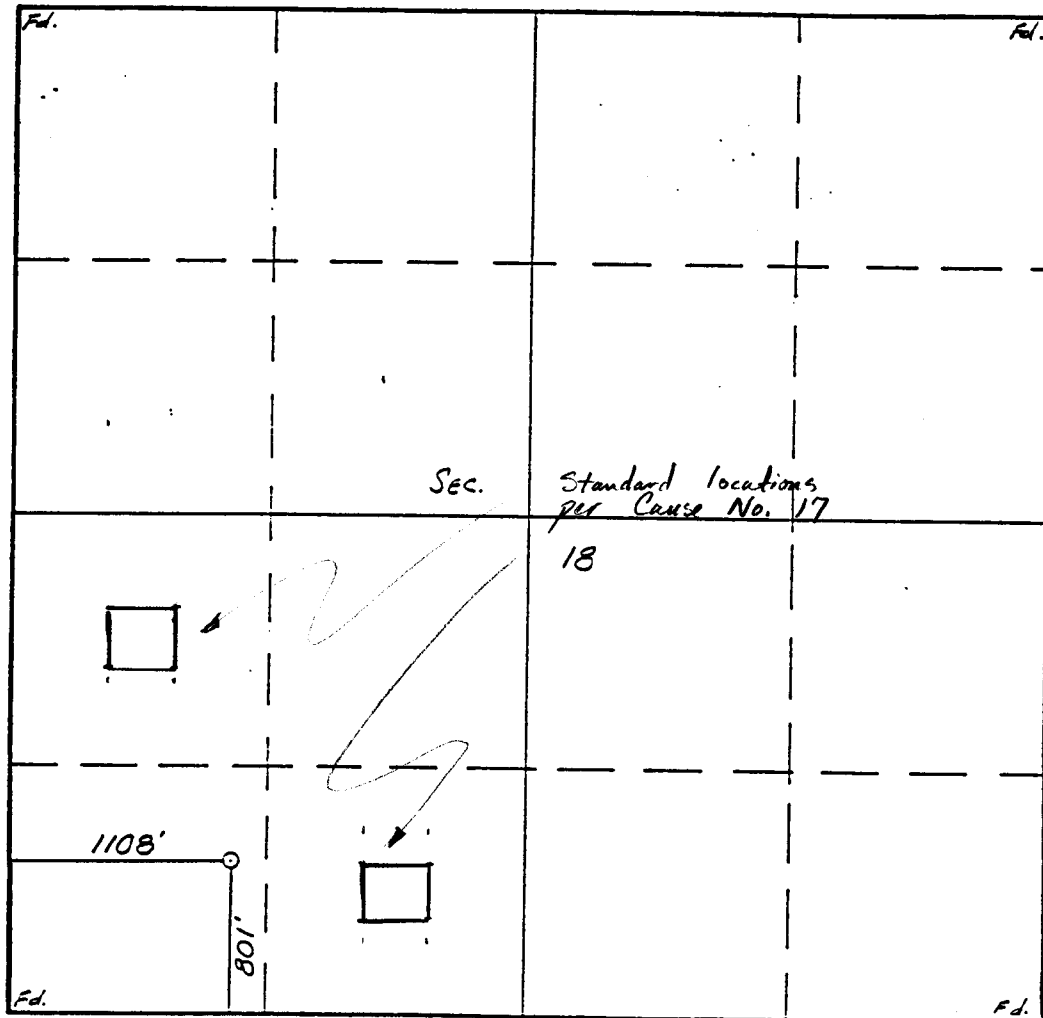
Approved by: _____ Title: _____ OF UTAH DIVISION OF OIL, GAS, AND MINING

Conditions of approval, if any:

DATE: 6-6-90
BY: *John R. L...*
WELL SPACING: Cong. No. 17

*See Instructions On Reverse Side

COMPANY CHUSKA ENERGY COMPANY
LEASE BARNES 18-M WELL NO. 1
SEC. 18, T. 40 S, R. 25 E
COUNTY San Juan STATE Utah
LOCATION 801' FSL & 1108' FWL
ELEVATION 4826



SCALE: 1" = 1000'

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

SEAL:



William E. Mahnke II
WILLIAM E. MAHNKE II
NEW MEXICO P.L.S. Nº 8466

SURVEYED MAR. 1, 19 90

CHUSKA ENERGY COMPANY

10 POINT DRILLING PLAN

~~Barnes 18N Well No. 1~~

Section 18, Township 40S, Range 25E
796' FSL, 1323' FWL
San Juan County, Utah

→ ch'd back to Barnes 18m #1
3-30-90

1. SURFACE FORMATION

Geological name of surface formation: Morrison

2. ELEVATION

Surface elevation is 4,838' GR.

3. ESTIMATED FORMATION TOPS

<u>Depth</u>	<u>Formation</u>	<u>Sub Sea Elevation</u>
Surface	Morrison	+ 4838'
929'	Navajo	+ 3909'
1619'	Chinle	+ 3219'
2659'	DeChelly	+ 2179'
2839'	Organ Rock	+ 1999'
3534'	Cedar Mesa	+ 1304'
4693'	Hermosa	+ 145'
5508'	Upper Ismay	- 670'
5628'	Lower Ismay	- 790'
5698'	Desert Creek	- 860' Primary Target
5818'	Akah	- 1010'
6298'	Barker Creek	- 1460'
7138'	Mississippian	- 2300'
7238'	Total Depth	- 2400'

4. PROPOSED CASING/CEMENTING PROGRAM

	<u>Depth</u>	<u>Size</u>	<u>Weight</u>	<u>Grade</u>	<u>Coupling</u>
Surface	500'	8 5/8"	24.0 ppf	K-55	STC
Production:	7,238'	5 1/2"	See detailed program below		

Detailed production string (5 1/2"):

<u>Interval</u>	<u>Weight</u>	<u>Grade</u>	<u>Coupling</u>
0' - 40'	20.0 ppf	L-80	LTC
40' - 5,680'	15.5 ppf	K-55	LTC
5,680' - 6,450'	20.0 ppf	L-80	LTC
6,450' - 7,238'	17.0 ppf	K-55	LTC

Surface Cementing:

371 sx (427 ft³) Class 'G' cement with 2% CaCl₂ and 1/4 lb/sk Celloflake. Weight = 15.8 ppg, yield = 1.15 ft³/sk. Slurry volume will be calculated at 100% excess over annular volume.

Production Cementing:

First Stage

TD to 4,000' (stage collar @ \pm 4,000'). Lead with 172 sx Class 'G' cement, 65:35 Pozmix, with 6% gel and 1/4 lb/sk Celloflake. Weight = 12.7 ppg, yield = 1.85 ft³/sk. Tail with 100 sx Class 'G' cement with 2% CaCl₂. Weight = 15.8 ppg, yield = 1.15 ft³/sk. Total of 433 ft³.

Second Stage

4000' to surface. Lead with 393 sx Class 'G' cement, 65:35 Pozmix with 6% gel and 1/4 lb/sk Celloflake. Weight = 12.7 ppg, yield = 1.85 ft³/sk. Tail with 100 sx Class 'G' cement with 2% CaCl₂. Weight = 15.8 ppg, yield = 1.15 ft³/sk. Total of 841 ft³.

Note: Exact slurry volumes for the production string will be adjusted according to the caliper log which will be run prior to cementing. Special adjustments may be necessary if significant amounts of salt are drilled.

5. BLOWOUT PREVENTER (See attached schematics)

As abnormal pressure is not anticipated, a 2000 psi BOP system would be sufficient for the drilling of this well. However, due to availability constraints, a 3000 psi system will be used, as per the attached Exhibits "A" and "B". This will be a 10" x 900 Series double ram preventer, equipped with a set of pipe and blind rams.

An accumulator system, with a pressure capacity sufficient to operate the rams three complete cycles without rig power, will be required as part of the rig equipment.

6. PROPOSED MUD PROGRAM

Surface to 3500'

Fresh water, gel, lime and native solids. Weight 8.3 - 8.7 ppg. Gel/lime sweeps as necessary for hole cleaning.

3500' to 5500'

Low solids, non-dispersed polymer system. Weight 8.6 - 8.8 ppg. Gel/lime sweeps as hole conditions dictate for hole cleaning. Fluid loss to be maintained at 15 cc or less. Fluid loss to be further reduced to 10 cc or less prior to coring, logging or DSTs.

5500' to TD

Saturated salt water, starch, salt gel. Weight 10.0 - 10.5 ppg, viscosity 35 - 40 sec/qt. Fluid loss to be maintained at 15 cc or less. Fluid loss to be further reduced to 10 cc or less prior to coring, logging or DSTs. Mud system to be fully converted and conditioned prior to drilling into the Akah at \pm 5800'.

7. AUXILIARY EQUIPMENT

- A. A kelly cock will be installed during drilling operations, with handle available on the rig floor.
- B. Floor (stabbing) valves will be available, on the rig floor at all times, with necessary subs to fit all of the drilling assemblies.
- C. Mud will be the circulating fluid. No abnormal formation pressures are expected.

8. WELL EVALUATION

Open hole electric logging program will consist of a minimum program of DLL-MSFL-SP-GR-Cal, FDC-CNL-GR-Lithodensity from TD to 4500'.

Drill stem testing will be as per the wellsite geologist's recommendations, based on shows. A mud logging unit will be utilized during drilling operations from 4000' to TD.

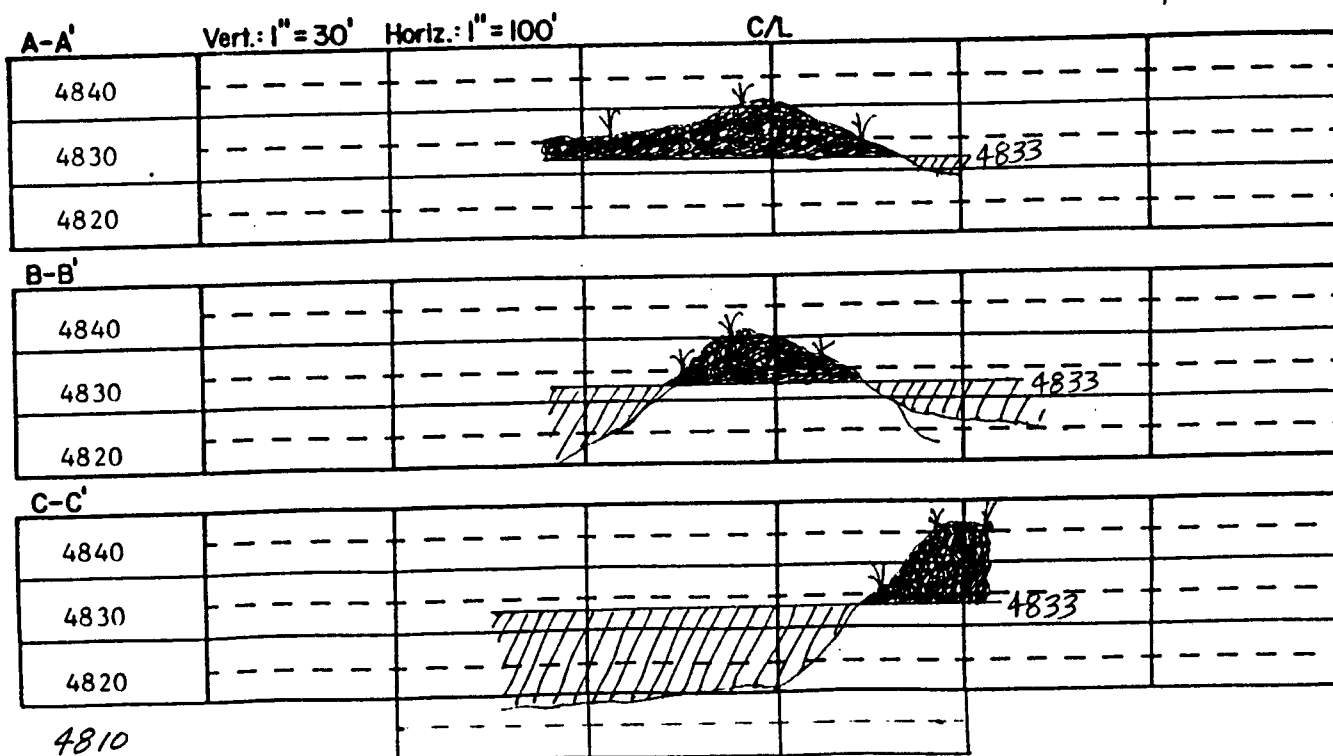
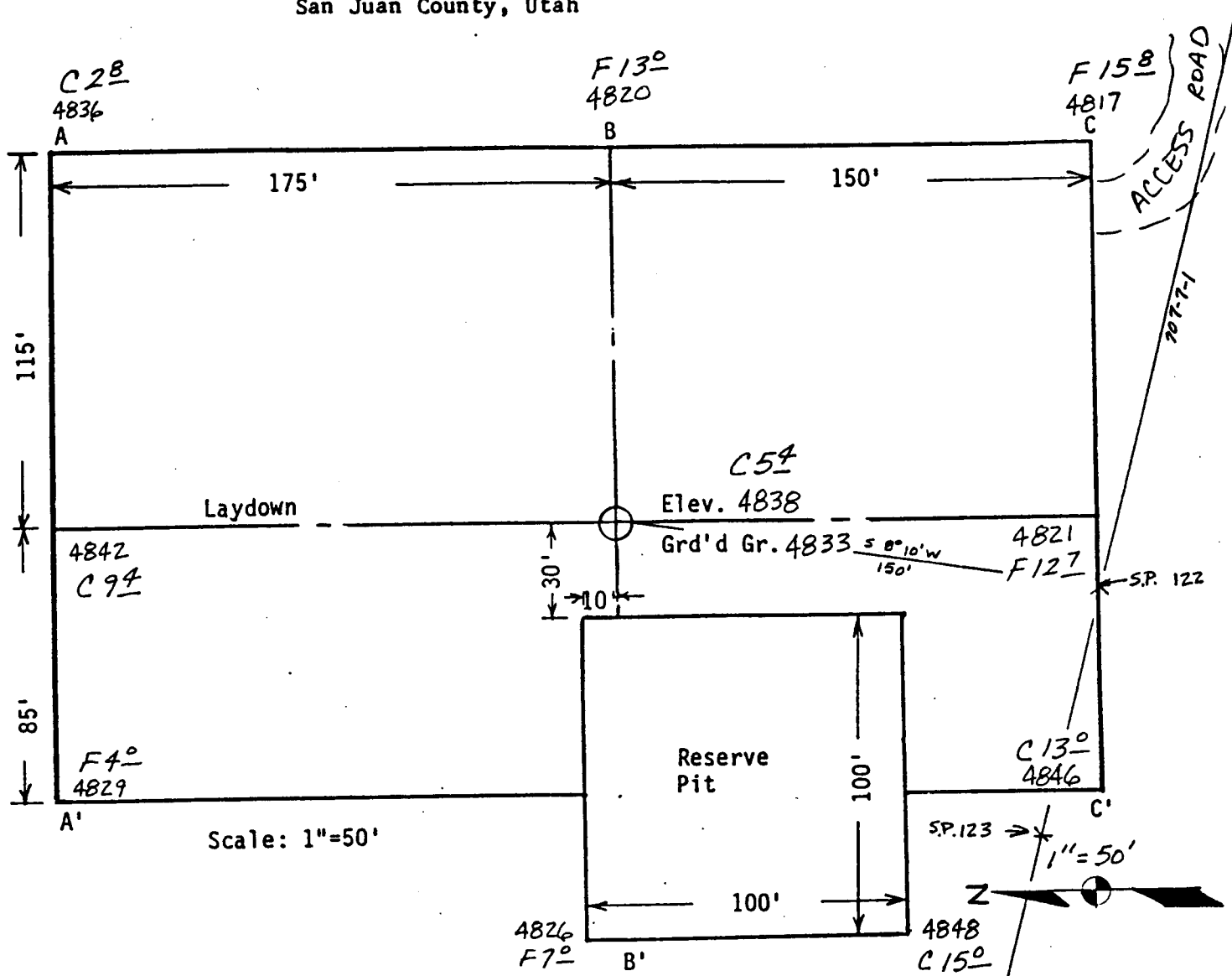
9. ABNORMAL PRESSURES/GAS

Abnormal pressures are not anticipated. Monitoring of gas and hydrocarbon shows will be by wellsite mud logging unit. H₂S gas is not anticipated, however regular checks will be made while drilling the well.

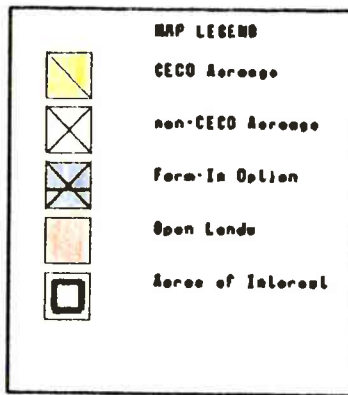
10. TIMING

The drilling and evaluation of this well is estimated to be 23 days. Anticipated spud date is 6-1-90.

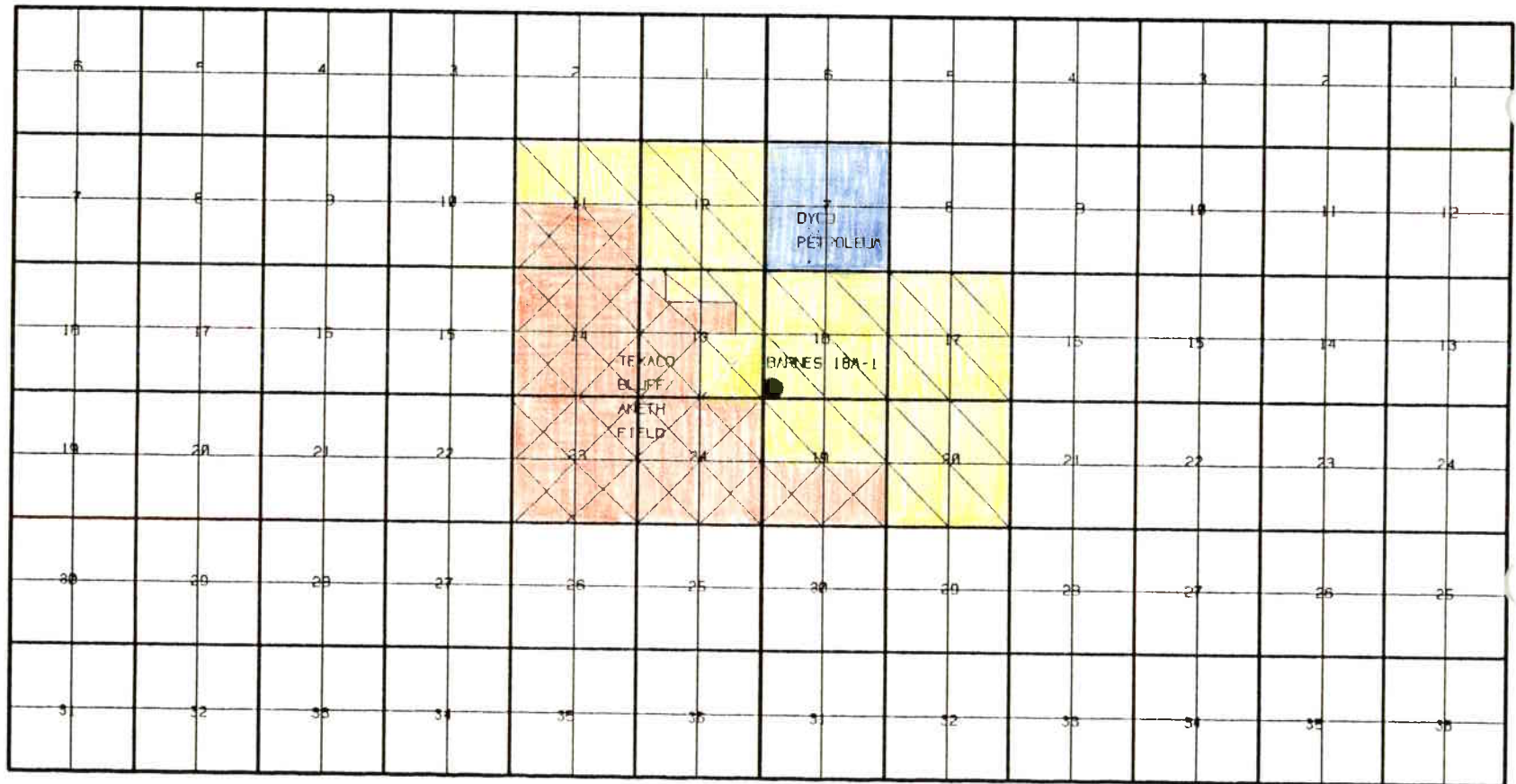
C' ka Energy Company
 Barnes #18-N-1
 Section 18, T40S, R25E
 San Juan County, Utah



T40S-R24E
SAN JUAN COUNTY
UTAH



T40S-R25E
SAN JUAN COUNTY
UTAH



CHUSKA ENERGY COMPANY

10 POINT DRILLING PLAN

Barnes 18M Well No. 1
Section 18, Township 40S, Range 25E
801' FSL, 1108' FWL
San Juan County, Utah

1. SURFACE FORMATION

Geological name of surface formation: Morrison

2. ELEVATION

Surface elevation is 4,826' GR.

3. ESTIMATED FORMATION TOPS

<u>Depth</u>	<u>Formation</u>	<u>Sub Sea Elevation</u>
Surface	Morrison	+ 4826'
917'	Navajo	+ 3909'
1607'	Chinle	+ 3219'
2647'	DeChelly	+ 2179'
2827'	Organ Rock	+ 1999'
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5686'	Desert Creek	- 860' Primary Target
5836'	Akah	- 1010'
6286'	Barker Creek	- 1460'
7126'	Mississippian	- 2300'
7226'	Total Depth	- 2400'

4. PROPOSED CASING/CEMENTING PROGRAM

	<u>Depth</u>	<u>Size</u>	<u>Weight</u>	<u>Grade</u>	<u>Coupling</u>
Surface	500'	8 5/8"	24.0 ppf	K-55	STC
Production:	7,226'	5 1/2"	See detailed program below		

Detailed production string (5 1/2"):

<u>Interval</u>	<u>Weight</u>	<u>Grade</u>	<u>Coupling</u>
0' - 40'	20.0 ppf	L-80	LTC
40' - 5,680'	15.5 ppf	K-55	LTC
5,680' - 6,440'	20.0 ppf	L-80	LTC
6,440' - 7,226'	17.0 ppf	K-55	LTC

Surface Cementing:

371 sx (427 ft³) Class 'G' cement with 2% CaCl₂ and 1/4 lb/sk Celloflake. Weight = 15.8 ppg, yield = 1.15 ft³/sk. Slurry volume will be calculated at 100% excess over annular volume.

Production Cementing:

First Stage

TD to 4,000' (stage collar @ \pm 4,000'). Lead with 246 sx Class 'G' cement, 65:35 Pozmix, with 6% gel and 1/4 lb/sk Celloflake. Weight = 12.7 ppg, yield = 1.85 ft³/sk. Tail with 100 sx Class 'G' cement with 2% CaCl₂. Weight = 15.8 ppg, yield = 1.15 ft³/sk. Total of 570 ft³.

Second Stage

4000' to surface. Lead with 318 sx Class 'G' cement, 65:35 Pozmix with 6% gel and 1/4 lb/sk Celloflake. Weight = 12.7 ppg, yield = 1.85 ft/sk. Tail with 100 sx Class 'G' cement with 2% CaCl₂. Weight = 15.8 ppg, yield = 1.15 ft³/sk. Total of 703 ft³.

Note: Exact slurry volumes for the production string will be adjusted according to the caliper log which will be run prior to cementing. Special adjustments may be necessary if significant amounts of salt are drilled.

5. BLOWOUT PREVENTER (See attached schematics)

As abnormal pressure is not anticipated, a 2000 psi BOP system would be sufficient for the drilling of this well. However, due to availability constraints, a 3000 psi system will be used, as per the attached Exhibits "A" and "B". This will be a 10" x 900 Series double ram preventer, equipped with a set of pipe and blind rams.

An accumulator system, with a pressure capacity sufficient to operate the rams three complete cycles without rig power, will be required as part of the rig equipment.

6. PROPOSED MUD PROGRAM

Surface to 3500'

Fresh water, gel, lime and native solids. Weight 8.3 - 8.7 ppg. Gel/lime sweeps as necessary for hole cleaning.

3500' to 5500'

Low solids, non-dispersed polymer system. Weight 8.6 - 8.8 ppg. Gel/lime sweeps as hole conditions dictate for hole cleaning. Fluid loss to be maintained at 15 cc or less. Fluid loss to be further reduced to 10 cc or less prior to coring, logging or DSTs.

5500' to TD

Saturated salt water, starch, salt gel. Weight 10.0 - 10.5 ppg, viscosity 35 - 40 sec/qt. Fluid loss to be maintained at 15 cc or less. Fluid loss to be further reduced to 10 cc or less prior to coring, logging or DSTs. Mud system to be fully converted and conditioned prior to drilling into the Akah at \pm 5800'.

7. AUXILIARY EQUIPMENT

- A. A kelly cock will be installed during drilling operations, with handle available on the rig floor.
- B. Floor (stabbing) valves will be available, on the rig floor at all times, with necessary subs to fit all of the drilling assemblies.
- C. Mud will be the circulating fluid. No abnormal formation pressures are expected.

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Open hole electric logging program will consist of a minimum program of DLL-MSFL-SP-GR-Cal, FDC-CNL-GR-Lithodensity from TD to 4500'.

Drill stem testing will be as per the wellsite geologist's recommendations, based on shows. A mud logging unit will be utilized during drilling operations from 4000' to TD.

9. ABNORMAL PRESSURES/GAS

Abnormal pressures are not anticipated. Monitoring of gas and hydrocarbon shows will be by wellsite mud logging unit. H₂S gas is not anticipated, however regular checks will be made while drilling the well.

10. TIMING

The drilling and evaluation of this well is estimated to be 23 days. Anticipated spud date is 6-1-90.

EXHIBIT "A"
BLOWOUT PREVENTER

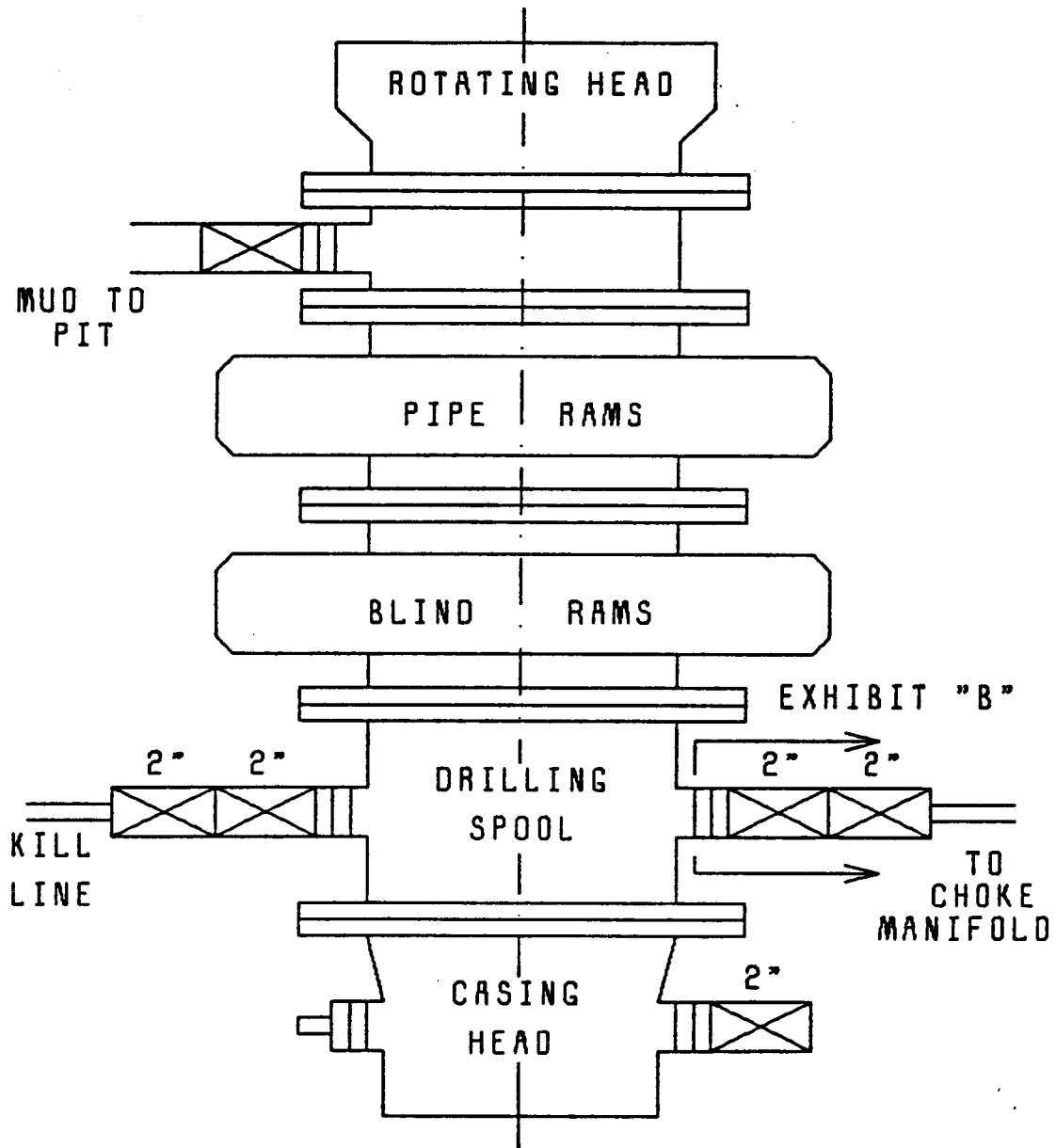
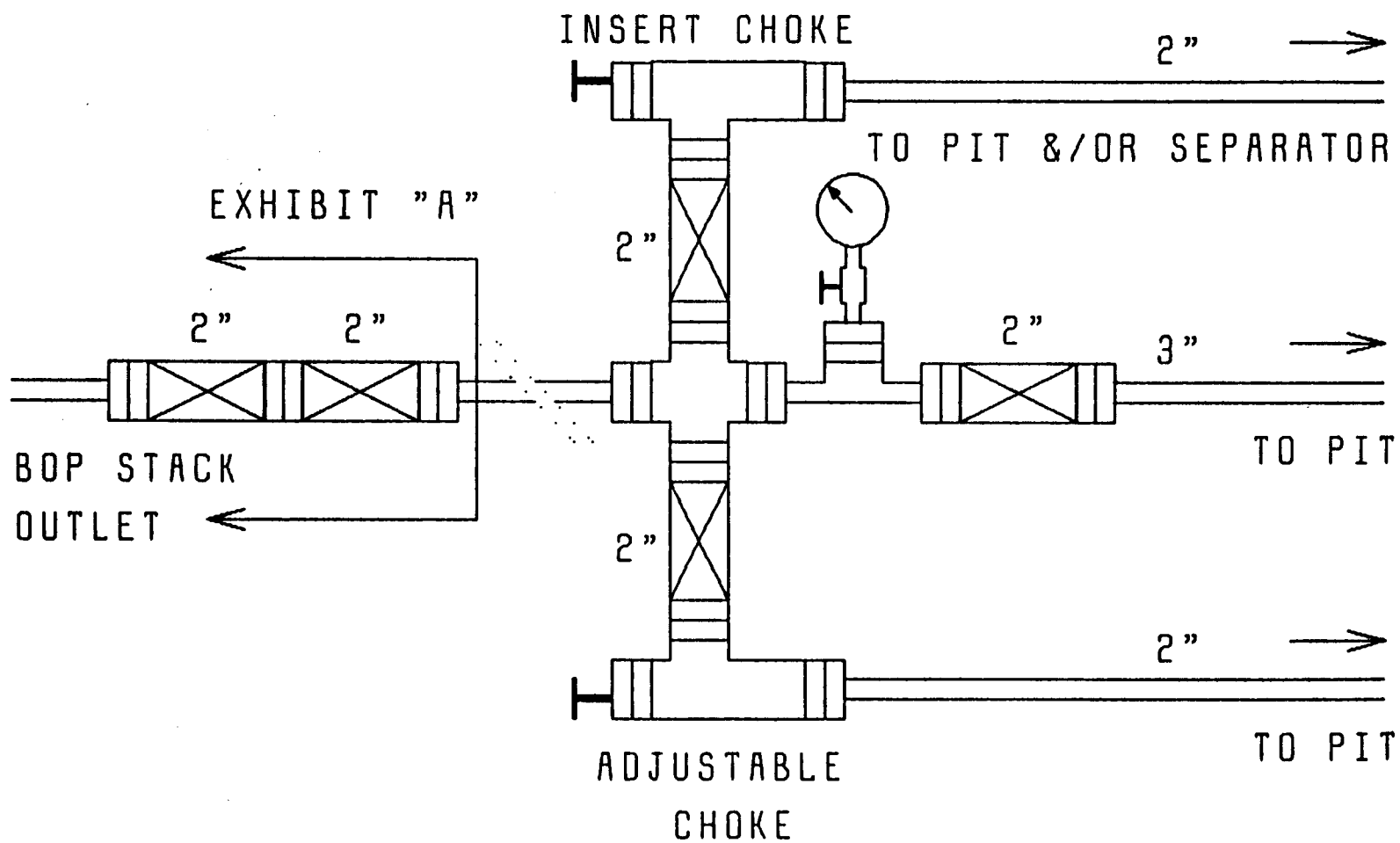


EXHIBIT "B"
CHOKE MANIFOLD



DETAILED DRILLING PROGRAM

DATE: March 9, 1990

WELL NAME: Barnes 18M WELL NO.: 1

LOCATION: Section 18, Township 40S, Range 25E
801' FSL, 1108' FWL
San Juan County, Utah

ELEVATION: 4,826' GR

TOTAL DEPTH: 7,226'

PROJECTED HORIZON: Primary target is Desert Creek at 5,686'.

DRILLING, CASING AND CEMENTING PROGRAM

1. Move in and rig up rotary tools. Notify BLM of time of spud and intent to run surface casing.
2. Drill mouse hole and rat hole. Mix mud prior to spudding well.
3. Drill 12 1/4" hole to \pm 500'. Use fresh water gel/lime spud mud for drilling surface hole. Well bore inclination is not to exceed 1 at 500'. Deviation surveys will be run at least at 250' and at casing point.
4. Run 8 5/8", 24 lb/ft, K-55, STC casing to TD. Cement with 371 sx (427 ft³) of Class 'G' cement with 2% CaCl₂ and 1/4 lb/sk Celloflake (sufficient slurry volume to circulate cement to surface).
5. W.O.C. a minimum of 4 hours prior to nipping up BOP stack and related equipment. See BOP schematics for details.
6. Ensure that plug has been down at least 8 hours prior to commencing pressure testing procedures. Pressure test BOP to 2,000 psig for 30 minutes. Pressure test manifold and all related equipment to 2,000 psig. Pressure test casing to 1,500 psig for 30 min.
7. Drill out surface casing with 7 7/8" bit. Drill 7 7/8" hole to \pm 5,500'. Deviation surveys are to be taken every 500' or on a bit trip, whichever occurs first. Maximum allowable deviation will be 5 at TD, with the maximum allowable rate of change to be 1/100'.

8. Break over fresh water mud to saturated salt water, starch, salt gel system. Ensure conversion is complete and mud is conditioned prior to drilling into the Akah at \pm 5,800'. Drill and survey to TD.
9. Run open hole logs and evaluate. Drill stem testing will be as per the wellsite geologist's recommendation.
10. If the well is determined to be productive, run 5 1/2" casing, as detailed in 10-Point Drilling Plan, to TD. Set stage cementing collar at \pm 4,000'. Cement in two stages as per cementing program in 10-point Drilling Plan.
11. Nipple down BOPE. Set 5 1/2" casing slips and cut off casing. Install well head. Release drilling rig and move rig off location.
12. If well is non-productive it will be plugged and abandoned as per State, BLM and Navajo Tribal stipulations.

Barnes 18M Well No. 1
Section 18, Township 40S, Range 25E
801' FSL, 1108' FWL
San Juan County, Utah

GENERAL COMPLETION PROCEDURE

If the well is determined to be productive, move in completion rig. Perforate, acidize, and test each productive porosity zone. Completion work will commence after Sundry Notice approval is received. Detailed procedures will follow.

PLUGGING AND ABANDONMENT

If the well is determined not to be productive, the well bore will be plugged as per BLM, State and Navajo Tribal requirements.

Barnes 18M Well No. 1
Section 18, Township 40S, Range 25E
801' FSL, 1108' FWL
San Juan County, Utah

SURFACE USE PLAN

1. EXISTING ROADS

Shown on the attached topographic map are the existing roads in the immediate area. Outlined is the route to be followed on the Hovenweep road. Existing roads will be maintained, as necessary, while operations are in progress.

2. PLANNED ACCESS ROAD (SHOWN IN RED)

The access road will be as shown on the attached topographic map. The road will be flat bladed, constructed 14' in width and will be maintained as necessary to prevent excessive damage to the existing terrain. The road will be upgraded if commercial production is established. It is anticipated that less than 500' of new road will be required to be constructed to the location pad.

3. LOCATION OF EXISTING WELLS & TANK BATTERIES

There are no other producing wells or facilities in the immediate area.

4. LOCATION OF EXISTING AND PROPOSED FACILITIES

No production facilities are presently in place. Should the well prove to be productive, facilities (tank battery etc) will be sited on the drilling location pad.

5. LOCATION & TYPE OF WATER SUPPLY

Water will be acquired from a private source. The water will be hauled from a flowing well permitted to Hay Hot Oil Inc., permitted under Water Right 09-1419, A60809.

6. SOURCE OF CONSTRUCTION MATERIALS

The need for additional construction materials is not anticipated. In the event that additional materials are required, they will be acquired either from private sources or with the approval of the Navajo Nation.

7. METHODS OF HANDLING WASTE MATERIAL

Trash will be contained on location in an enclosed bin. It will be hauled to an approved disposal site or burned on location if a burning permit is granted. The reserve pit will be lined, with an approved 7 mil liner, for containing drilling fluids. The pit will also be fenced. All drilling fluids, cuttings and chemical waste will be stored in the reserve pit. Liquid hydrocarbons will be stored in temporary storage tanks and hauled from location to approved sales facilities. The reserve pit will be emptied, back filled and restored to natural terrain status upon completion of drilling operations.

8. ANCILLARY FACILITIES

Chemical portable toilet facilities will be provided on location during drilling and completion operations. No camps or air strips are planned for this well.

9. WELL SITE LAYOUT

Attached is a surveyor's staking plat, cut and fill requirements and a schematic of the proposed rig layout.

10. PLANS FOR RESTORATION OF THE SURFACE

The location is laid out on a south west/north east trend and will require up to 13' of cut in the reserve pit (up to 6' of cut in the eastern corner of the location pad) and up to 5' of fill in the western corner of the location pad. Top soil removed from the pad will be stored at the well site. A reserve pit will be built on terrain containing sparse native vegetation. After drilling operations are complete, drilling fluid in the reserve pit will be allowed to evaporate. All remaining fluid in the pit will be disposed of into an approved disposal site. The reserve pit will remain fenced during the evaporation and disposal process. The pit will then be covered and the topsoil will be returned to the disturbed area. The terrain will be returned as near to its original condition as possible. Following operations, rehabilitation seeding will be in accordance with APD/BLM/BIA stipulations. There are no residents in the immediate area of the site.

11.

OPERATORS REPRESENTATIVE

CHUSKA ENERGY COMPANY
315 NORTH BEHREND AVENUE
FARMINGTON, NEW MEXICO 87401
DONALD S. BARNES

12. CERTIFICATION

I hereby certify that either I, or persons under my direct supervision have inspected the proposed drill site and access route: that I am familiar with the conditions which presently exist: that the statements made in this plan are, to the best of my knowledge, true and correct and that the work planned will be performed by Chuska Energy, or its sub-contractors, in conformity with the terms and conditions under which it is approved.


DONALD S. BARNES
Operations Manager

CHUSKA ENERGY COMPANY

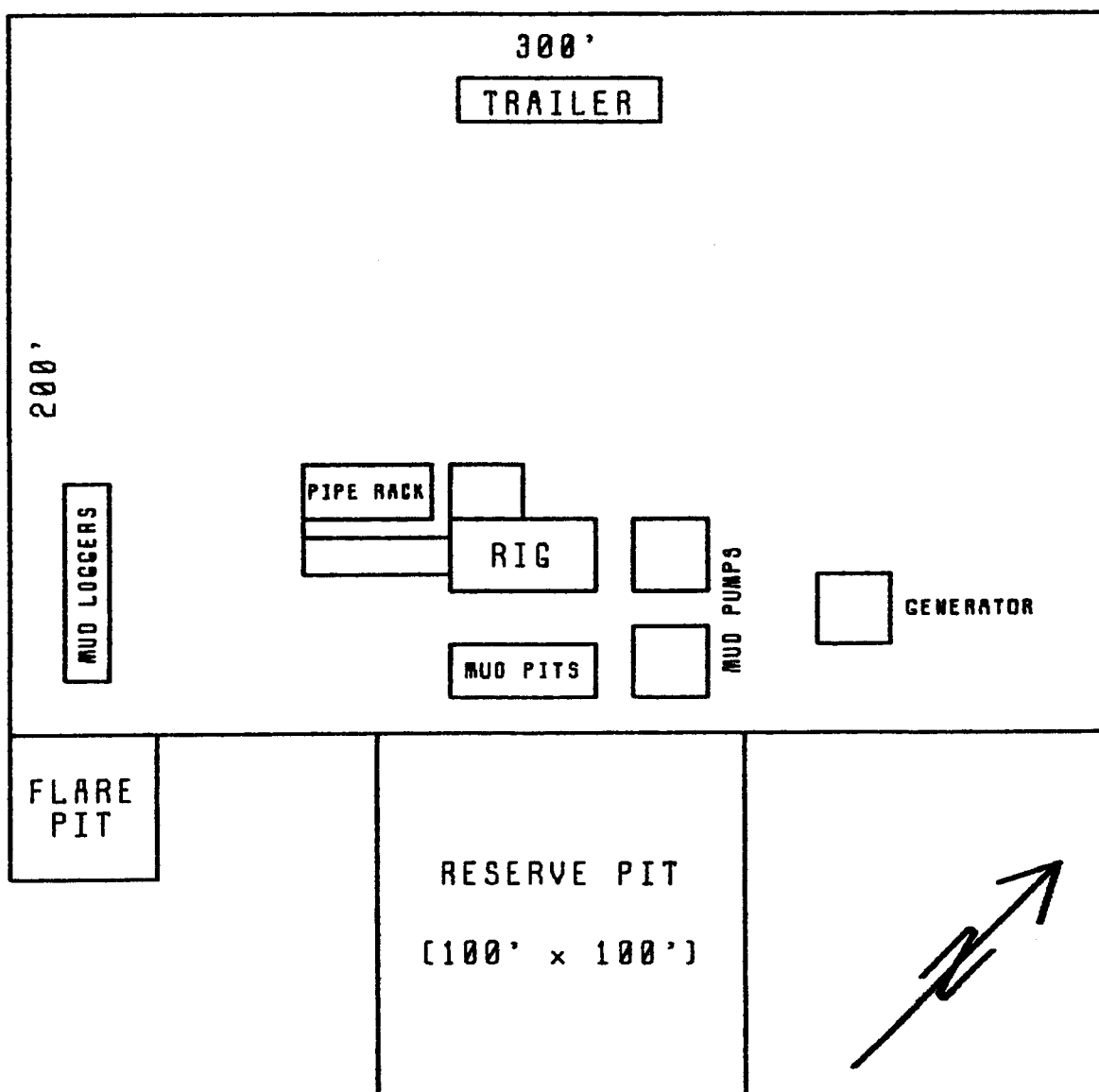
LOCATION LAYOUT

BARNES 18M-1

801' FSL, 1100' FWL

SECTION 18, TOWNSHIP 40S, RANGE 25E

SAN JUAN COUNTY, UTAH



CHUSKA ENERGY COMPANY
BARNES 18-M #1
801' FSL & 1108' FWL
Sec. 19, T40S, R25W
San Juan Co., Utah

INDIAN

N A

Canyon

OPERATOR Chuska Energy Company (N9290) DATE 3-13-90

WELL NAME Barnes 18M #1

SEC SWSW/18 T 40S R 25E COUNTY San Juan

43-037-31521
API NUMBER

Indiana (2)
TYPE OF LEASE

CHECK OFF:

☒ PLAT

☒ BOND

☒ NEAREST WELL

☒ LEASE

☒ FIELD

☒ POTASH OR OIL SHALE

PROCESSING COMMENTS:

No other well in Sec. 18

Water Permit 09-1419 / A60809 (Hot Hot Oil Inc.)

Exception location requested to R615-3-2, however request needs to be for an exception to Cause No. 17 (second order) - Acreage controlled by Chuska with 660' radius as required by order, but lies in wrong quarter-quarter section.

APPROVAL LETTER:

SPACING: ☐ R615-2-3

N/A
UNIT

☐ R615-3-2

☒

17 2-24-60
CAUSE NO. & DATE
(Exc. Loc.)

☐ R615-3-3

STIPULATIONS:

CC: BIA



STATE OF UTAH
NATURAL RESOURCES
Water Rights

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Robert L. Morgan, State Engineer

Southeastern Area • 453 S. Carbon Avenue • P.O. Box 718 • Price, UT 84501-0718 • 801-637-1303

March 13, 1990

RECEIVED
MAR 15 1990

DIVISION OF
OIL, GAS & MINING

Chuska Energy Company
Attn: Donald S. Barnes, Operations Manager
315 North Behrend
Farmington, New Mexico 87401

Re: 1) Barnes 18M Well #1: SW4SW4 Sec. 18, T40S, R25E, SLB&M
2) East Rim 15L Well #2: NW4SW4 Sec. 15, T40S, R25E, SLB&M
3) Finger Mesa 15P Well #1: SE4SE4 Sec. 15, T40S, R25E, SLB&M
4) NW Cajon 1I Well #1: NE4SE4 Sec. 1, T40S, R24E, SLB&M
5) Runway 10G Well #1: SW4NE4 Sec. 10, T40S, R25E, SLB&M

Dear Mr. Barnes:

This letter will serve as authorization from this Division to proceed with the drilling at the five noted locations. It is understood that the drilling and maintenance water will be hauled to the sites by Hay Hot Oil Inc. under their existing water right 09-1419 (A60809). It is also noted on your request that 1.0 acre feet of water will be required at each location.

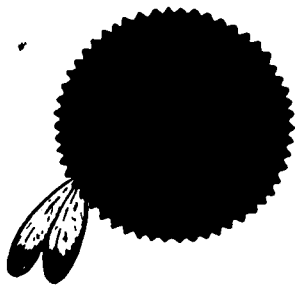
If you have any questions concerning this matter, please feel free to contact me.

Sincerely,

Mark P. Page
Area Engineer

cc: ✓ Lisha Romero, Div. of Oil, Gas & Mining
Jerry Howell, Hay Hot Oil Inc.

MPP/mjk



CHUSKA ENERGY COMPANY

315 N. BEHREND • FARMINGTON, NEW MEXICO 87401 • PHONE: (505) 326-5525

RECEIVED

MAR 12 1990

WATER RIGHTS
PRICE

March 9, 1990

RECEIVED
MAR 15 1990

DIVISION OF
GEOL. & MINING

State of Utah
Water Rights Division
P.O. Box 718
Price, Utah 84501-0718

Attn: Mr Mark Page

Ref: Water Use Permits:

Barnes	18M	Well No. 1	SW SW	18 40 25
East Rim	15L	Well No. 2	NW SW	15 40 25
Finger Mesa	15P	Well No. 1	SE SE	15 40 25
NW Cajon	1I	Well No. 1	NE SE	1 40 24
Runway	10G	Well No. 1	SW NE	10 40 25

Dear Mr Page

Chuska Energy Company proposes to drill the subject wells commencing in late May/early June. We intend to haul water in tank trucks, utilizing Hay Hot Oil Service who will obtain water from their artesian well, details of which are as follows:

1050' FNL, 1575' FWL
S27 T40S R23E
San Juan County, Utah

Permit No: 09-1419 (A60809)

Anticipated water requirements are 1.0 acre-feet per well. Site locations are as detailed in the attached topographic map and staking plats.

Please advise if you require any further information.

Sincerely yours

Donald S. Barnes
Operations Manager

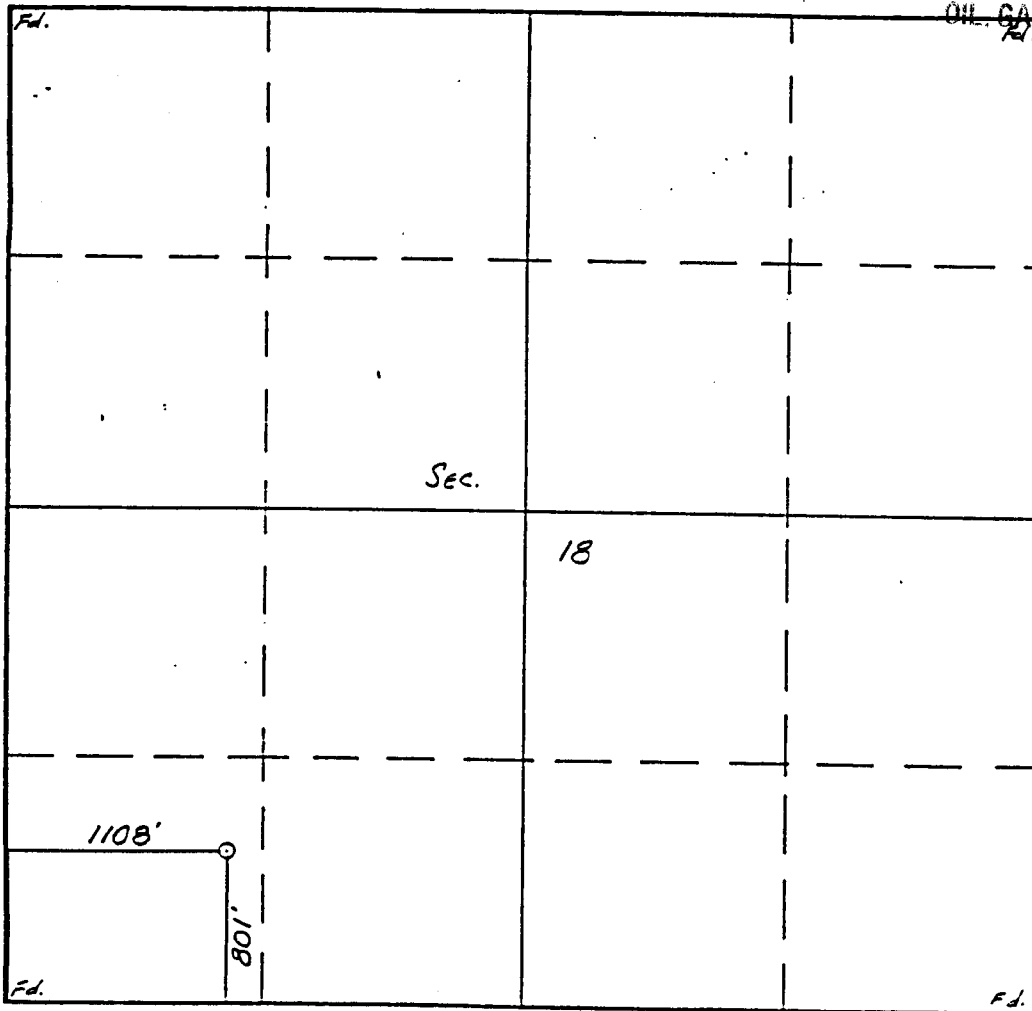
DSB/csw
File: C:\WP\CSWH\BARN18M1\WATER

encl.

COMPANY CHUSKA ENERGY COMPANY
LEASE BARNES 18-M WELL NO. 1
SEC. 18, T. 40 S, R. 25 E
COUNTY San Juan STATE Utah
LOCATION 801'FSL & 1108'FWL
ELEVATION 4826

RECEIVED
MAR 15 1990

DIVISION OF
OIL, GAS & MINING



SCALE: 1" = 1000'

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

SEAL:



William E. Mahnke II
WILLIAM E. MAHNKE II
NEW MEXICO P.L.S. Nº 8466

SURVEYED MAR. 1, 19 90

CHUSKA ENERGY COMPANY
BARNES 18-M #1
801' FSL & 1108' FWL
Sec. 19, T40S, R25E
San Juan Co., Utah

INDIAN

Canyon

500

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF UTAH

IN THE MATTER OF THE APPLICATION OF
THE TEXAS COMPANY, THE CARTER OIL
COMPANY AND CONTINENTAL OIL COMPANY
FOR AN ORDER ESTABLISHING 80-ACRE
DRILLING UNITS FOR THE ANETH POOL,
SAN JUAN COUNTY, UTAH, WITH REFERENCE
TO THE KNOWN PRODUCING ZONES OF THE
HERMOSA FORMATION (CAUSE NO. 8)

CAUSE NO. 17
(CONSOLIDATED CAUSES NOS.
8 AND 11)

AND

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL OIL COMPANY FOR AN ORDER
ESTABLISHING 80-ACRE DRILLING AND
SPACING UNITS FOR THE UPPER PARADOX
SECTIONS OF THE HERMOSA FORMATION,
DESERT CREEK AREA, SAN JUAN COUNTY,
UTAH (CAUSE NO. 11)

FINDINGS OF FACT,
CONCLUSIONS OF LAW
AND ORDER

The above captioned Cause No. 17 is before the Oil and Gas Conservation Commission of the State of Utah as a consolidation of Causes Nos. 8 and 11, such consolidation having been effected on February 2, 1959, by order of this Commission. Each of said Causes Nos. 8 and 11 arose out of an application for an order establishing 80-acre drilling and spacing units for an area defined in the particular application. Since the initiation of said proceedings, the Commission has, pursuant to several requests, permitted several additions to the areas covered by said applications as originally filed, with the result that this consolidated Cause now involves those lands hereinbelow particularly described. Hearings were held in Cause No. 8 and in Cause No. 11 prior to their consolidation, and further hearings have been held in this Cause No. 17 since such consolidation. During the extensive course of the proceedings numerous witnesses testified and many exhibits were introduced both in support of and in opposition to the applications. On January 30, 1960, upon the conclusion of the hearings in this consolidated Cause, the matter was submitted to the full Commission for decision.

NOW, THEREFORE, after due and careful consideration, this Commission makes the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

1. The area involved in this consolidated Cause, and which is hereinafter for convenience referred to as the "Greater Aneth Area," lies within San Juan County and is described as follows:

✓ T. 40 S., R. 23 E., S1E4

Section 1: All
Section 2: E $\frac{1}{2}$
Section 11: E $\frac{1}{2}$, SW $\frac{1}{4}$
Sections 12, 13, 14, 23 through 26,
34, 35, 36: All

✓ T. 40 S., R. 24 E., S1E4

Sections 7 through 11,
13 through 36: All 43-35

✓ T. 40 S., R. 25 E., S1E4

Section 16: E $\frac{1}{2}$
Section 17: E $\frac{1}{2}$
Section 18: E $\frac{1}{2}$
Sections 19, 20, 21: All
Section 22: E $\frac{1}{2}$, NW $\frac{1}{4}$
Sections 27 through 34: All

✓ T. 41 S., R. 23 E., S1E4

Sections 1, 2, 3, 10 through 15,
22, 23, 24: All
Section 25: E $\frac{1}{2}$
Section 35: E $\frac{1}{2}$
Section 36: All

✓ T. 41 S., R. 24 E., S1E4

Sections 1 through 24: All
Section 25: NW $\frac{1}{4}$
Sections 26 through 35: All

✓ T. 41 S., R. 25 E., S1E4

Section 3: NW $\frac{1}{4}$
Sections 4 through 9: All
Section 10: NW $\frac{1}{4}$
Sections 16 through 20: All

✓ T. 42 S., R. 23 E., S1E4

Section 1: All
Section 2: E $\frac{1}{2}$
Section 11: E $\frac{1}{2}$
Section 12: All

✓ T. 42 S., R. 24 E., S1E4

Sections 2 through 10: All

2. The Desert Creek (Aneth) formation is continuous over the Greater Aneth Area and constitutes a common source of supply. It is

found at a depth of approximately 5600 feet below the surface of the ground and varies in thickness from 100 feet to 220 feet. The formation consists essentially of carbonate material with minor amounts of other constituents. The reservoir is what is known as a "stratigraphic trap."

3. The properties of the reservoir rock, in regard to permeability and porosity distribution, indicate a degree of heterogeneity that is common in limestone reservoirs.

4. The original reservoir pressure at a datum of 900 feet subsea was approximately 2200 pounds per square inch.

5. The producing mechanism from the original reservoir pressure down to the saturation pressure or bubble point pressure is "fluid expansion." The producing mechanism below the saturation pressure or bubble point pressure is the release of gas originally in solution in the oil or so-called "solution gas drive." The predominant producing mechanism is "solution gas drive."

6. Reduced formation pressures which have been found upon the completion of new wells show that drainage of oil and gas had occurred from under the locations of the newly drilled wells by reason of production from earlier drilled wells.

7. With the drilling of the field on an 80-acre pattern there is and will be efficient horizontal communication. In some areas of the field there is also efficient vertical communication through interfingering of reservoir layers aided by fractures, while in other areas vertical communication between layers depends to a substantial extent upon connection provided by the well bore.

8. In the five special test wells drilled by Shell Oil Company and the well layer tested by Humble Oil and Refining Company, pressure depletion from original reservoir pressure had occurred in each of the lenses and layers tested. The pressure depletion conditions found at the location of each such well were normal for a heterogeneous reservoir of this type.

9. The various layers or lenses containing oil and gas are of sufficient size that wells drilled with a density of one well to each 80 acres will, with insignificant exceptions, pierce the various layers and

provide efficient and adequate intercommunication for all parts of the reservoir.

10. While there are varying permeabilities within the pay sections throughout the field, any so-called barriers of low permeability are not continuous and do not completely surround or isolate oil and gas or create islands but, to the contrary, the pressure history of this field along with the gas/oil ratio behavior in relationship to the total cumulative production demonstrates that the field is being efficiently and economically drained by one well to each 80-acre tract.

11. Pressure differentials exist in the reservoir. These differentials are normal, are to be expected and constitute a condition necessary to the flow of oil through the reservoir into producing wells. The variation in magnitude of the pressure differentials existing within the reservoir is attributed to differences in rate of production, cumulative production, permeability, pay thickness, porosity and water saturation and differences in shut-in times prior to measurement of pressures.

12. One well to each 80 acres will efficiently and economically drain the reservoir as found in and underlying the Greater Aneth Area.

13. Eighty-acre spacing and drilling units for the Greater Aneth Area should be established in order to prevent waste, to avoid the drilling of unnecessary wells and to protect the correlative rights of interested parties. No more than one well should be drilled on any such unit for the production of oil or gas from the Desert Creek (Aneth) formation.

14. Except for the "Specially Designated Drilling Units" hereinafter specified, the drilling and spacing units for the Greater Aneth Area should be formed by dividing each governmental quarter section into two such units to consist respectively of the east half of such quarter section and the west half of such quarter section. Each specially designated drilling unit consisting of an 80-acre tract as specifically described below should constitute a drilling and spacing unit and represents a departure from the general spacing unit pattern as set forth in the preceding sentence.

SPECIALLY DESIGNATED DRILLING UNITS

<u>80-ACRE TRACT</u>	<u>SECTION</u>	<u>TOWNSHIP</u>	<u>RANGE</u>
NW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$	16	40 South	24 East

<u>80-ACRE TRACT</u>	<u>SECTION</u>	<u>TOWNSHIP</u>	<u>RANGE</u>
SW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$	16	40 South	24 East
NW $\frac{1}{4}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$	16	40 South	24 East
SE $\frac{1}{4}$ SE $\frac{1}{4}$	16	40 South	24 East
SE $\frac{1}{4}$ SW $\frac{1}{4}$	16	40 South	24 East
SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$	16	40 South	24 East
NW $\frac{1}{4}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$	16	40 South	24 East
NE $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$	13	41 South	23 East
SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$	13	41 South	23 East
NW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$	13	41 South	23 East
NW $\frac{1}{4}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$	13	41 South	23 East
SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$	13	41 South	23 East
NW $\frac{1}{4}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$	13	41 South	23 East
SE $\frac{1}{4}$ SE $\frac{1}{4}$	13	41 South	23 East
SE $\frac{1}{4}$ SW $\frac{1}{4}$	13	41 South	23 East
N $\frac{1}{2}$ SW $\frac{1}{4}$	11	41 South	24 East
SE $\frac{1}{4}$ SW $\frac{1}{4}$	11	41 South	24 East
N $\frac{1}{2}$ SE $\frac{1}{4}$	11	41 South	24 East
SE $\frac{1}{4}$ SE $\frac{1}{4}$	11	41 South	24 East
NE $\frac{1}{4}$ NE $\frac{1}{4}$)	11)	41 South	24 East
NW $\frac{1}{4}$ NW $\frac{1}{4}$)	12)		
SE $\frac{1}{4}$ NE $\frac{1}{4}$)	11)	41 South	24 East
SW $\frac{1}{4}$ NW $\frac{1}{4}$)	12)		
N $\frac{1}{2}$ NE $\frac{1}{4}$	12	41 South	24 East
SE $\frac{1}{4}$ NE $\frac{1}{4}$	12	41 South	24 East
N $\frac{1}{2}$ SW $\frac{1}{4}$	18	41 South	24 East
SE $\frac{1}{4}$ SW $\frac{1}{4}$	18	41 South	24 East

15. Except as may be hereafter ordered by the Commission, after notice and hearing, and as hereinafter provided, in that portion of the Greater Aneth Area lying north of the San Juan River the permitted well for a spacing unit should be located in either the northwest quarter of a governmental quarter section or in the southeast quarter of a governmental quarter section and should be not less than 500 feet from any property or lease line or governmental quarter-quarter section line. Except as

hereinafter provided, in that portion of the Greater Aneth Area lying south of the San Juan River the permitted well for a spacing unit should be located in either the northeast quarter of a governmental quarter section or in the southwest quarter of a governmental quarter section and should be not less than 500 feet from any property or lease line or governmental quarter-quarter section line. An exception should be recognized for any well which has heretofore been drilled or which is now being drilled to the Desert Creek (Aneth) formation and which is not located in accordance with the general well location pattern above defined and such heretofore drilled or now being drilled well shall be the permitted well for the drilling and spacing unit upon which it is located, provided expressly that no one of the five test wells drilled by Shell Oil Company under this Commission's order of February 24, 1959 in this Cause shall constitute the permitted well for the drilling unit upon which such well was drilled unless, after notice and hearing, specifically ordered by this Commission pursuant to said Order of February 24, 1959, or otherwise; and provided further that the water injection well drilled by Phillips Petroleum Company under this Commission's order of August-5, 1959 in Cause No. 23 shall not constitute the permitted well for the drilling unit upon which such well was drilled unless, after notice and hearing, specifically so ordered by the Commission.

16. Wherever reference is made herein to a "governmental quarter-quarter section" or to any subdivision thereof or to a "governmental quarter-quarter section" or to any specific description by subdivision, section, township and range, such reference is intended, in the case of surveyed lands, to refer to the indicated quarter section or other legal subdivision as determined by the government survey and is intended, in the case of unsurveyed lands or of partially surveyed lands, to refer to the indicated quarter section or other legal subdivision as determined by and through projection or protraction from existing township surveys and/or existing township boundary line surveys.

CONCLUSIONS OF LAW

1. The Commission has jurisdiction over the subject matter of this Cause and over the lessors and operators in the area involved. Notice

of the respective hearings and respective other proceedings in this consolidated Cause, and in Causes Nos. 8 and 11 prior to the consolidation thereof, was in each instance given in all respects as required by law.

2. The Desert Creek (Aneth) formation is continuous over the Greater Aneth Area, as such area is defined in Finding 1 of the foregoing Findings, and constitutes a common pool or source of supply.

3. One well to each 80 acres will efficiently and economically drain the said pool or common source of supply as found in and underlying the Greater Aneth Area.

4. The establishment of 80-acre spacing and drilling units for the Greater Aneth Area is necessary to prevent waste, to avoid the drilling of unnecessary wells and to protect the correlative rights of interested parties.

5. The shape and pattern of the spacing units for the Greater Aneth Area should be as set forth and defined in Finding 14 of the foregoing Findings.

6. No more than one well should be drilled on any such spacing or drilling unit for the production of oil or gas from the Desert Creek (Aneth) formation.

7. The locations or patterns of the permitted wells should be as set forth in Finding 15 of the foregoing Findings.

8. The here-involved applications for the issuance by this Commission of an Order establishing 80-acre spacing should be granted.

ORDER

IT IS THEREFORE ORDERED by the Commission as follows:

1. That 80-acre drilling and spacing units be and the same are hereby established for the production of oil and gas from the Desert Creek (Aneth) formation underlying the Greater Aneth Area;

2. That the shape and pattern of such drilling and spacing units shall be as set forth and defined in Finding 14 of the foregoing Findings;

3. That no more than one well shall be drilled on any such unit for the production of oil or gas from the Desert Creek (Aneth) formation;

4. That the location of the permitted well for each such unit shall be as set forth and defined in Finding 15 of the foregoing Findings, provided, however, that an exception in respect to the location of a permitted well may be had without notice or hearing upon the filing with the Commission of an application showing that the proposed exception location is within the quarter-quarter section specified hereunder as the situs for the permitted well; that topographic conditions exist which reasonably require a well location nearer than 500 feet to one or more boundaries of said quarter-quarter section; and either that the ownership of all oil and gas leases within a radius of 660 feet of the proposed exception location is common with the ownership of the oil and gas leases upon the proposed exception location or that all owners of oil and gas leases within such radius have consented in writing to the proposed exception location.

5. That nothing in the foregoing Findings of Fact or Conclusions of Law or in this Order is intended or shall be construed in any manner to determine or affect any question relating to the boundaries of any lease or the title to any lands or to determine the rights of any party in respect to any voluntary or involuntary pooling of interests within any hereby established spacing or drilling unit.

6. That this Order shall be effective forthwith; and

7. The Commission retains continuing jurisdiction of all matters covered by this Order.

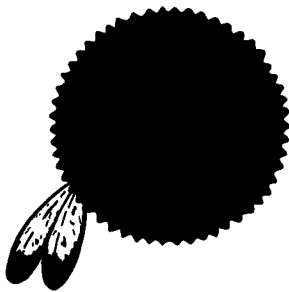
DATED this 24th day of February, 1960.

By Order of
THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF UTAH

Edward W. Clyde
EDWARD W. CLYDE,
Commissioner Presiding

APPROVED:

W. J. Johnson



CHUSKA ENERGY COMPANY

315 N. BEHREND • FARMINGTON, NEW MEXICO 87401 • PHONE: (505) 326-5525

March 26, 1990

RECEIVED
MAR 28 1990

State of Utah Department of Natural Resources
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Building, Suite 350
Salt Lake City, Utah 84180-1203

**DIVISION OF
OIL, GAS & MINING**

Ref: Sundry Notice: Barnes 18M-1 - Move Location/Change Name

Gentlemen

Attached for your examination and approval is the original and two copies of the subject Sundry Notice which is being submitted as a result of moving the well in order to comply with State spacing orders.

Please advise if you require additional information concerning this application. Chuska will greatly appreciate your prompt consideration.

Sincerely,

Donald S. Barnes
Operations Manager

DSB/csw

File: C:\WP\CSWH\BARNES.18M\MOVESUN.CVR

encl.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS <small>(Do not use this form for proposals to drill or to deepen or plug a well. Use "APPLICATION FOR PERMIT—" for that purpose.)</small>		3. LEASE DESIGNATION & SERIAL NO. NOG 8702-1116
1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN ALLOTTEE OR TRIBE NAME Navajo Tribal
2. NAME OF OPERATOR Chuska Energy Company		7. UNIT AGREEMENT NAME Barnes 18M
3. ADDRESS OF OPERATOR 315 North Behrend, Farmington, New Mexico		8. FARM OR LEASE NAME Barnes 18M
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface: 801' FSL, 1108' FWL At proposed prod. zone: Same		9. WELL NO. 1
10. FIELD AND POOL, OR WILDCAT -Wildcat Aneth (365)		11. SEC. T. R. M. OR BLK. AND SURVEY OR AREA S18 T40S R25E
12. API NO.	13. ELEVATIONS (Show whether OF, RT, GR, etc.) 4,826' GR	14. COUNTY San Juan
		15. STATE Utah

16.

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐FRACTURE TREAT ☐SHOOT OR ACIDIZE ☐REPAIR WELL ☐(Other) ☐PULL OR ALTER CASING ☐MULTIPLE COMPLETE ☐ABANDON ☐CHANGE PLANS ☐

SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☐FRACTURE TREATMENT ☐SHOOTING OR ACIDIZING ☐(Other) ☐REPAIRING WELL ☐ALTERING CASING ☐ABANDONMENT* ☐

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

APPROX. DATE WORK WILL START

6-1-90

DATE OF COMPLETION

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

* Must be accompanied by a cement verification report.

In order to comply with State spacing orders, the location of the well has been moved, from SW/4 SW/4 of Section 18, to SE/4 SW/4 of the same section. This has resulted in renaming of the well to conform to naming criteria. Details are as follows:

Old Name: Barnes 18M-1

Old Location: 801' FSL, 1108' FWL

Old Elevation: 4,826' GR

New Name: Barnes 18N-1

New Location: 796' FSL, 1323' FWL

New Elevation: 4,838' GR

TD 7238' (Mississippi)

Refer to attachments: revised staking plat and 10-point drilling plan.

* Sundry of 3-28-90 changes well back to Barnes 18M-1.

18. I hereby certify that the foregoing is true and correct

SIGNED

Donald S. Barnes

TITLE

Operations Manager

DATE

3-26-90

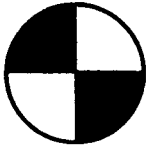
(This space for Federal or State office use)

APPROVED BY

TITLE

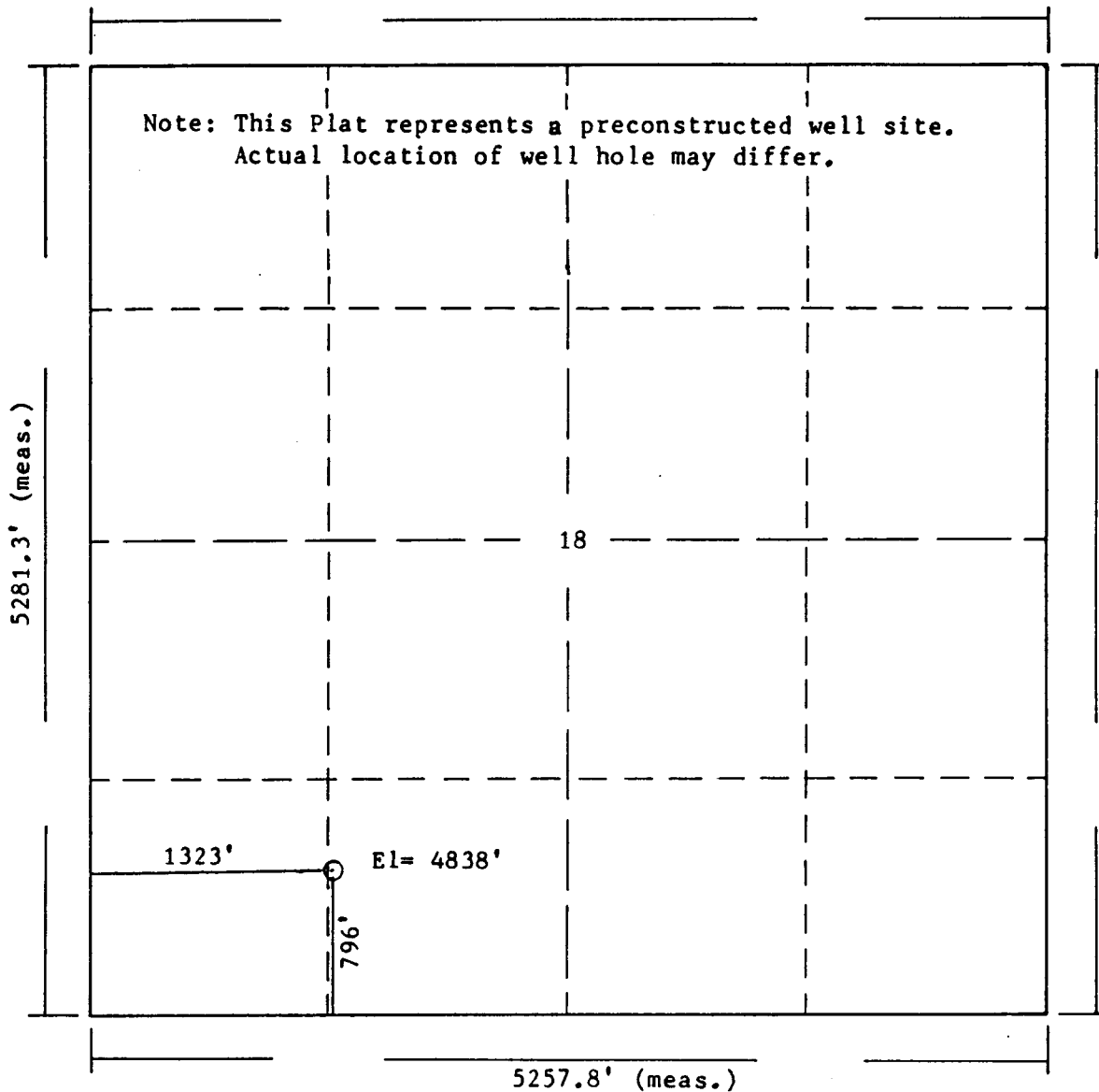
DATE

CONDITIONS OF APPROVAL, IF ANY:



Form PS-102

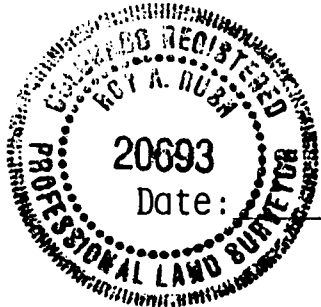
R. 25 E.



Scale: 1"=1000'

Powers Elevation of Denver, Colorado has in accordance with a request from Monte Stuart for Chuska Energy Company determined the location of Barnes 18-N-1 to be 796' FSL & 1323' FWL of Section 18, Township 40 S. Range 25 E. Salt Lake Meridian, San Juan County, Utah.

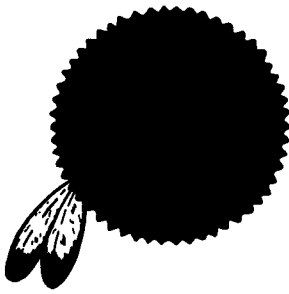
I hereby certify that this plat is an accurate representation of a correct survey showing the location of



Date: March 24, 1990

Roy A. Rush

Licensed Land Surveyor No.
State of



CHUSKA ENERGY COMPANY

315 N. BEHREND • FARMINGTON, NEW MEXICO 87401 • PHONE: (505) 326-5525

RECEIVED
MAR 30 1990

March 28, 1990

DIVISION OF
OIL, GAS & MINING

State of Utah Department of Natural Resources
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Building, Suite 350
Salt Lake City, Utah 84180-1203

Attn: Lisha Romero

Ref: Barnes 18M-1

Dear Ms Romero

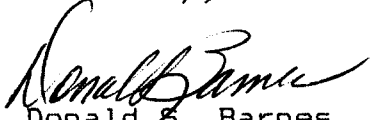
Further to your telephone conversation with this office of yesterday afternoon, Chuska Energy wishes to advise that the location of the subject well was recently moved in order to comply with State of Utah spacing orders, namely Cause 17 (a Sundry Notice to this effect was submitted 3.26.90). Subsequent archaeological examination of the new location, however, indicated that it was sited on and surrounded by artifacts and sites. Any attempt to move the location further east into the SE/4 SW/4 of Section 18 is precluded by reason of the severe topography which exists in the area.

In view of the above, Chuska Energy respectfully requests that administrative approval be granted for the drilling of the well in its original location, namely:

801' FSL, 1108' FWL
Section 18, Township 40S, Range 25E
San Juan County, Utah

Please advise if you require additional information concerning this application. Chuska will greatly appreciate your prompt consideration.

Sincerely,


Donald S. Barnes
Operations Manager

DSB/csw
File: C:\WP\CSWH\BARNES.18M\EXCEPT



Norman H. Bangerter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

May 1, 1990

The Times Independent
P. O. Box 129
Moab, Utah 84532

Gentlemen:

RE: Notice of Intention of Agency Action - Reference No. 31521

Enclosed is a Notice of Intention of Agency Action.

It is requested that this notice be published ONCE ONLY, as soon as possible. Upon completion of this request, please send proof of publication and statement of cost to the Division of Oil, Gas and Mining, 355 West North Temple, Suite 350, Salt Lake City, Utah 84180-1203.

Sincerely,

Lisha Romero
Administrative Analyst

WE14/1
cc: R. J. Firth
Enclosure



Norman H. Bangertter

Governor

Dee C. Hansen

Executive Director

Dianne R. Nielson, Ph.D.

Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple

3 Triad Center, Suite 350

Salt Lake City, Utah 84180-1203

801-538-5340

May 1, 1990

Newspaper Agency Corporation
Legal Advertising
157 Regent Street
Salt Lake City, Utah 84110

Gentlemen:

RE: Notice of Intention of Agency Action - Reference No. 31521

Enclosed is a Notice of Intention of Agency Action.

It is requested that this notice be published ONCE ONLY, as soon as possible. Upon completion of this request, please send proof of publication and statement of cost to the Division of Oil, Gas and Mining, 355 West North Temple, Suite 350, Salt Lake City, Utah 84180-1203.

Sincerely,

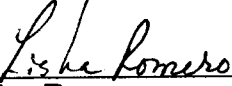
Lisha Romero
Administrative Analyst

WE14/2
cc: R. J. Firth
Enclosure

Mailing List For Notice of Intention of Agency Action - Reference No. 31521

Mr. Donald Barnes
Chuska Energy Company
315 North Behrend
Farmington, New Mexico 87401

(The ownership of all oil and gas leases within a radius of 660 feet of the proposed exception location is common with the ownership of the oil and gas lease #NOG 8702-1116.)



Lisha Romero
Administrative Analyst
May 1, 1990

143 SOUTH MAIN ST.
P.O. BOX 45838
SALT LAKE CITY, UTAH 84145
FED. TAX I.D. # 87-0217663

Newspaper Agency Corporation

The Salt Lake Tribune (NA) DESERET NEWS

CUSTOMER'S
COPY

LEGAL ADVERTISING INVOICE

CUSTOMER NAME AND ADDRESS	ACCOUNT NUMBER	BILLING DATE
DIV. OF OIL, GAS/MINING ATTN: BARBARA L. DUMAS 355 W NO TEMPLE, #350 SALT LAKE CITY, UT 84180	LE-5385340	05/10/90
FOR BILLING INFORMATION CALL (801) 237-2822		

AFFIDAVIT OF PUBLICATION

AS NEWSPAPER AGENCY CORPORATION LEGAL BOOKKEEPER, I CERTIFY THAT THE ATTACHED ADVERTISEMENT OF NOTICE OF INTENTION OF AGENCY ACTION REFERENCE DIV. OF OIL, GAS/MINING WAS PUBLISHED BY THE NEWSPAPER AGENCY CORPORATION, AGENT FOR THE SALT LAKE TRIBUNE AND DESERET NEWS, DAILY NEWSPAPERS PRINTED IN THE ENGLISH LANGUAGE WITH GENERAL CIRCULATION IN UTAH, AND PUBLISHED IN SALT LAKE CITY, SALT LAKE COUNTY IN THE STATE OF UTAH.

PUBLISHED ON MAY 10 1990

SIGNATURE G. J. Anderson

DATE 05/10/90



NOTARY PUBLIC

G. J. ANDERSON

143 South Main
Salt Lake City Utah 84111
My Commission Expires
November 15 1993

STATE OF UTAH

NOTICE OF INTENTION OF AGENCY ACTION
REFERENCE NO. 31521
BEFORE THE DIVISION OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES, STATE OF UTAH
IN THE MATTER OF THE APPLICATION OF CHUSKA ENERGY COMPANY FOR ADMINISTRATIVE APPROVAL OF AN EXCEPTION TO THE LOCATING AND SITING REQUIREMENTS OF THE ORDER IN CAUSE NO. 17 FOR THE PROPOSED BARNES 18M #1 WELL LOCATED IN SECTION 18, TOWNSHIP 40 SOUTH, RANGE 25 EAST, SAN JUAN COUNTY, UTAH
THE STATE OF UTAH TO ALL PERSONS INTERESTED IN THE ABOVE ENTITLED MATTER.

Notice is hereby given that the Division is commencing an informal adjudicative proceeding to consider the application of Chuska Energy Company for administrative approval of an exception to the locating and siting requirements of the Order in Cause No. 17 dated February 24, 1990, for the Barnes 18M #1 well located in Section 18, Township 40 South, Range 25 East, San Juan County, Utah. The proceeding will be conducted in accordance with the provisions of Rule R615-10, Administrative Procedures; Rule R615-3-3, Exception to Location and Siting of Wells; and with consideration of the Order in Cause No. 17 for the development of the Desert Creek formations which prescribes 80-acre drilling and spacing units consisting of the east half and the west half of such quarter section. The order prescribes that the permitted well for each 80-acre spacing unit be located in either the northwest quarter of a governmental quarter section or in the southeast quarter of a governmental quarter section and should be not less than 500 feet from any property or lease line or governmental quarter-quarter section line.

The applicant intends to drill the Barnes 18M #1 well to a proposed depth of 7,226 feet to test the Desert Creek formation. The well location, 801 feet from the south line and 1108 feet from the west line of Section 18, Township 40 South, Range 25 East, San Juan County, does not comply with the locating and siting requirements of the Order in Cause No. 17 with regard to a well being located in either the northwest quarter of a governmental quarter section or in the southeast quarter of a governmental quarter section and not less than 500 feet from any governmental quarter-quarter section line.

Objections, if any, to the approval of the proposed exception, should be filed with the undersigned and state with particularity the reasons for the objection. In the absence of a written objection within fifteen days after publication of this notice from any person whose interests would be affected, the Division will issue an administrative approval of requested exception.

DATED this 1st day of May, 1990.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
/s/ R. J. Firth
Associate Director, Oil and Gas

57820040

COUNT NAME		TELEPHONE
		801-538-5340
SCHEDULE		AD NUMBER
		57820040
CAPTION		MISC. CHARGES
OF INTENTION OF AGENCY ACTIONREFERENCE		.00
TIMES	RATE	AD CHARGE
1	3.12	162.24
OF THIS INVOICE	TOTAL AMOUNT DUE	162.24

YOU FOR USING LEGAL ADVERTISING.

DO NOT RETURN THIS PORTION

LEGAL

ADV06-NT

PAYMENT IN THE ENCLOSED ENVELOPE ADVERTISING

AD NUMBER	BILLING DATE	PAY THIS AMOUNT
57820040	05/10/90	162.24

ADVERTISING

MAKE CHECKS PAYABLE TO:
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PLEASE REMIT TO:

NEWSPAPER AGENCY CORPORATION
P.O. BOX 45838
SALT LAKE CITY, UTAH 84145-0838

DIV. OF OIL, GAS/MINING
ATTN: BARBARA L. DUMAS
355 W NO TEMPLE, #350
SALT LAKE CITY, UT 84180

076567706200406000000000000001622418767881731151711111111111127335

BEFORE THE DIVISION OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH

---ooOoo---

IN THE MATTER OF THE APPLICATION
OF CHUSKA ENERGY COMPANY FOR
ADMINISTRATIVE APPROVAL OF AN
EXCEPTION TO THE LOCATING AND
SITING REQUIREMENTS OF THE
ORDER IN CAUSE NO. 17 FOR THE
PROPOSED BARNES 18M #1 WELL
LOCATED IN SECTION 18, TOWNSHIP
40 SOUTH, RANGE 25 EAST, SAN
JUAN COUNTY, UTAH

NOTICE OF INTENTION
OF AGENCY ACTION

REFERENCE NO. 31521

---ooOoo--

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Page 2
NOTICE OF INTENTION
OF AGENCY ACTION

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DATED this 1st day of May, 1990.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

A handwritten signature in dark ink, appearing to read "R. J. Firth", is written over a horizontal line.

R. J. Firth
Associate Director, Oil & Gas



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter

Governor

Dee C. Hansen

Executive Director

Dianne R. Nielson, Ph.D.

Division Director

355 West North Temple

3 Triad Center, Suite 350

Salt Lake City, Utah 84180-1203

801-538-5340

June 6, 1990

Chuska Energy Company
315 North Behrend
Farmington, New Mexico 87401

Gentlemen:

Re: Barnes 18M-1 - SW SW Sec. 18, T. 40S, R. 25E - San Juan County, Utah
801' FSL, 1108' FWL

Approval to drill the referenced well is hereby granted in accordance with the Order of Cause No. 17 dated February 24, 1960.

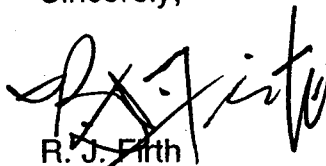
In addition, the following actions are necessary to fully comply with this approval:

1. Spudding notification within 24 hours after drilling operations commence.
2. Submittal of an Entity Action Form within five working days following spudding and whenever a change in operations or interests necessitates an entity status change.
3. Submittal of the Report of Water Encountered During Drilling, Form 7.
4. Prompt notification if it is necessary to plug and abandon the well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695, or Jim Thompson, Lead Inspector, (Home) 298-9318.
5. Compliance with the requirements of Rule R615-3-20, Gas Flaring or Venting, Oil and Gas Conservation General Rules.

6. Prior to commencement of the proposed drilling operations, plans for facilities for disposal of sanitary wastes at the drill site shall be submitted to the local health department. These drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of General Sanitation, telephone (801) 538-6121.
7. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

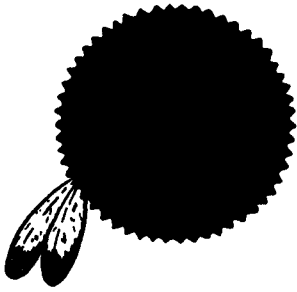
The API number assigned to this well is 43-037-31521.

Sincerely,



R. J. Firth
Associate Director, Oil & Gas

tas
Enclosures
cc: Bureau of Land Management
Bureau of Indian Affairs
J. L. Thompson
WE14/1-5



CHUSKA ENERGY COMPANY

1775 SHERMAN STREET - SUITE 1800 • DENVER, COLORADO 80203 • PHONE: (303) 863-7021
FAX #: (303) 863-7210

May 17, 1991

Ms. Vicki Kearney
Utah Oil & Gas Commission
355 West North Temple
Three Triad Center
Suite 350
Salt Lake City, Utah
84180-1203

Dear Ms. Kearney:

Please keep all Chuska Energy Company data confidential until further notice.

Thanks,

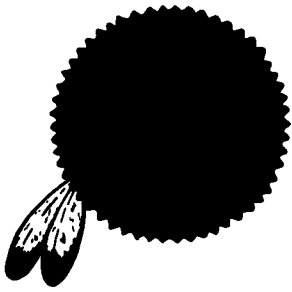
A handwritten signature in cursive script, appearing to read "Herb".

Herbert P. Mosca
Chuska Staff Geologist

RECEIVED

MAY 20 1991

DIVISION OF
OIL GAS & MINING



CHUSKA ENERGY COMPANY

3315 BLOOMFIELD HIGHWAY • FARMINGTON, NEW MEXICO 87401 • PHONE: (505) 326-5525

17 May, 1991

State of Utah Department of Natural Resources
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Building, Suite 350
Salt Lake City, Utah 84180-1203

Ref: Sundry Notice: Barnes 18M 1 Well
Application for Extension of APD Approval

Gentlemen

Attached for your examination and approval are the original and two copies of the subject Sundry Notice.

Please advise if you require additional information concerning this submission.

Sincerely,

Larry G. Sessions
Larry G. Sessions
Operations Manager

LGS/csw
File: C:\WP51\BARNES.18M\EXAPDSUN.CVR

encl.

RECEIVED

MAY 24 1991

DIVISION OF
OIL GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT-- for such proposals		6. Lease Designation and Serial Number NOG 8702-1116
		7. Indian Allottee or Tribe Name Navajo Tribal
		8. Unit or Communitization Agreement
1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other (specify)		9. Well Name and Number Barnes 18M 1
2. Name of Operator Chuska Energy Company		10. API Well Number 43-037-31521
3. Address of Operator 3315 Bloomfield Highway, Farmington, NM 87401	4. Telephone Number 505-326-5525	11. Field and Pool, or Wildcat Wildcat
5. Location of Well Footage : 801' FSL, 1108' FWL QQ, Sec. T., R., M.: SW/4 SW/4 S18 T40S R25E		County : San Juan State : UTAH

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA	
NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<input type="checkbox"/> Abandonment <input type="checkbox"/> Casing Repair <input type="checkbox"/> Change of Plans <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Multiple Completion <input checked="" type="checkbox"/> Other APD Extension	<input type="checkbox"/> Abandonment * <input type="checkbox"/> Casing Repair <input type="checkbox"/> Change of Plans <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Other
<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recompletion <input type="checkbox"/> Shoot or Acidize <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recompletion <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off
Approximate Date Work Will Start <u>5-31-92</u>	Date of Work Completion _____ Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form. * Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Following further seismic and geological evaluation, the drilling of this well has been delayed. Chuska Energy therefore applies for an extension to the approval of the APD on the subject well.

RECEIVED
CONFIDENTIAL
 MAY 24 1991

DIVISION OF
OIL GAS & MINING

14. I hereby certify that the foregoing is true and correct.

Name & Signature

Christopher S.W. Hill

Title Operations Engineer

Date 17 May 91

(State Use Only)

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

(8/90)

See Instructions on Reverse Side

DATE: 5-29-91
BY: J. Matthews

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

<p align="center">SUNDRY NOTICES AND REPORTS ON WELLS</p> <p align="center">Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT-- for such proposals</p>		6. Lease Designation and Serial Number NOG 8702-1116																										
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RECEIVED

MAY 24 1991

DIVISION OF
OIL GAS & MINING

14. I hereby certify that the foregoing is true and correct.

Name & Signature Christopher S.W. Hill Title Operations Engineer Date 17 May 91
(State Use Only)

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS AND MINING

DATE: _____
BY: _____

MICROFICHE

To Live

CHECKLIST FOR MICROFILMING

COUNTY:

SECTION: TOWNSHIP: RANGE:

OPERATOR:

WELL NAME:

API NO. 43- _____ - _____

WELL STATUS: DR P&A POW

YEAR OF COMPLETION: _____

LOCATION: _____ FSL FNL _____ FEL FWL 1/4 1/4 _____

LEASE STATUS: FED STATE FEE INDIAN

BOND STATUS: YES NO

APD ☐

PLAT MAP ☐

SPUD DATE ☐

WELL COMPLETION ☐

P&A REPORT AFTER ACTIVE COMPLETION ☐

FORMATION TOPS ☐

FIELD ☐

LOGS ☐

NOTES

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

3. LEASE DESIGNATION AND SERIAL NO.

NOG 8702-1116

4. IF INDIAN, ALLOTTEE OR TRIBE NAME

Navajo Tribal

5. UNIT AGREEMENT NAME

N/A

6. FARM OR LEASE NAME

7. WELL NO.

Barnes 18M(N)

10. FIELD AND POOL OR WILDCAT

Wildcat

11. SEC. T. R. M. OR BLOCK AND CORNER OR AREA

Sec. 18, T40S, R25E

12. TYPE OF WELL:

OIL

☐

GAS

☐

WATER

☐

Other

P & A

13. TYPE OF COMPLETION:

NEW

☒

WORK

☐

DEEP-

☐

PLUG

☐

DIFF.

☐

Other

P & A

2. NAME OF OPERATOR

Chuska Energy Company

3. ADDRESS OF OPERATOR

3315 Bloomfield Hwy, Farmington, N.M. 87401 505-326-5525

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)

At surface 801' FSL & 1108' FWL

At top prod. interval reported below 865' FSL & 1495' FWL

At total depth SAME

14. API NO.

43-037-31521

DATE ISSUED

15. COUNTY

San Juan

16. STATE

Utah

11. DATE SPUNDED

2-11-92

16. DATE T.D. REACHED

3-1-93

17. DATE COMPL. (Ready to prod.)

P&A (1830, 3-2-92)

18. ELEVATIONS (OF. SER. AT, CR, ETC.)

4826 GR/4839 KB

19. ELEV. CASINGHEAD

4826 GR

20. TOTAL DEPTH, MD & TVD

6013' MD

21. PLUG BACK T.D. MD & TVD

22. IF MULTIPLE COMPL. HOW MANY

23. INTERVALS DRILLED BY

TOTAL TOOLS

Yes

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)

None

25. WAS DIRECTIONAL SURVEY MADE

Yes

26. TYPE ELECTRIC AND OTHER LOGS LOG

DLL-Micro SFL, CNL-FDC Litho Density, Sonic

27. WAS WELL CORED YES ☐ NO ☒ (Specify coring tool)DRILL STEM TEST YES ☐ NO ☒ (See separate log)

Yes

CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT (LB/FT)	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT POLLED
8 5/8	24ppf/K-55	506'	12 1/4	Cemented w/360 sxs C1 'G' & 2% CaCl2 & 1/4# sx Floccelle. Circulated cement to surface.	

LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT	SCREEN (MD)	28. TUBING RECORD	SIZE	DEPTH SET (MD)	PACKER SET (MD)

29. PERFORATION RECORD (Interval, size and number)

ACID, SHOT, FRACTURE CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED

SEP 10 1993

PRODUCTION

DATE FIRST PRODUCTION

P&A

PRODUCTION METHOD: Flowing, gas lift, pumping—size and type of pump

WELL STATUS (Producing or Shut-in)

DATE OF TEST	SOURS TESTED	CHOKES SIZE	PROD. FOR TEST PERIOD	OIL—BSL	GAS—MCF	WATER—BSL	GAS-OIL RATIO
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BSL	GAS—MCF	WATER—BSL	OIL GRAVITY-API (CORR.)	

31. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

TEST WITNESSED BY

32. LIST OF ATTACHMENTS

33. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

BARRY A. WIELAND

TITLE OPERATIONS MANAGER

DATE 5-27-93

INSTRUCTIONS

This form should be completed in compliance with the Utah Oil and Gas Conservation General Rules. If not filed prior to this time, all logs, tests, and directional surveys as required by Utah Rules should be attached and submitted with this report.

ITEM 18: Indicate which elevation is used as reference for depth measurements given in other spaces on this form and on any attachments.

ITEMS 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

ITEM 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

ITEM 33: Submit a separate completion report on this form for each interval to be separately produced (see instructions for items 22 and 24 above).

37. SUMMARY OF POROUS ZONES

Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut in pressures, and recoveries.

Formation	Top	Bottom	Description, contents, etc.
Core #1	5834'	5844'	Desert Creek, 100% recovery

38. GEOLOGIC MARKERS

Name	Meas. Depth	Top True Vert. Depth
Hermosa	4682	4676
U. Ismay	5598	5535
Hovenweep	5726	5650
L. Ismay	5728	5652
Gothic Shale	5764	5683
Desert Creek	5784	5700
Chimney Rock	5950	5846
Akah	5973	5867

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE

(See other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0137
Expires August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT

1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> Other <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NOG 8702-1116	
b. TYPE OF COMPLETION: NEW WELL <input type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RENVR. <input type="checkbox"/> Other <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME Navajo Tribal	
2. NAME OF OPERATOR Chuska Energy Company		7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR 3315 Bloomfield Highway, Farmington, NM 87401 505-328-9525		8. NAME OR LEASE NAME Barnes 18M(N)	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements) At surface 801' FSL & 1108' FWL At top prod. interval reported below 865' FSL & 1495' FWL At total depth SAME		9. WELL NO.	
14. PERMIT NO. 43-037-31521		DATE ISSUED	
15. DATE SPUDDED 2-11-92		16. DATE T.D. REACHED 3-1-92	
17. DATE COMPL. (Ready to prod.) P&A (1830, 3-2-92)		18. ELEVATIONS (DF, RKB, RT, GR, ETC.) 4826 GR/4839 KB	
19. ELEV. CASINGHEAD 4826 GR		10. FIELD AND POOL, OR WILDCAT Wildcat	
20. TOTAL DEPTH, MD & TVD 6013' MD		11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA 18-T40S-R25E	
21. PLUG, BACK T.D., MD & TVD		12. COUNTY OR PARISH San Juan	
22. IF MULTIPLE COMPL., HOW MANY?		13. STATE Utah	
23. INTERVALS DRILLED BY ROTARY TOOLS YES		14. COUNTY OR PARISH San Juan	
24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* None		15. STATE Utah	
25. TYPE ELECTRIC AND OTHER LOGS RUN DLL-Micro SFL, CNL-FDC Litho Density, Sonic		16. WAS DIRECTIONAL SURVEY MADE Yes	
26. TYPE ELECTRIC AND OTHER LOGS RUN DLL-Micro SFL, CNL-FDC Litho Density, Sonic		17. WAS WELL CORED Yes	
27. CASING RECORD (Report all strings set in well)			
CASING SIZE 8 5/8,	WEIGHT, LB./FT. 24ppf/K-55	DEPTH SET (MD) 506'	HOLE SIZE 12 1/4
CEMENTING RECORD Cemented w/360 sxs cl G & 2% CaCL2 & 1/4# sx Flocelle. circulate cement to surface.		AMOUNT PULLED None	
28. LINER RECORD			
SIZE	TOP (MD)	BOTTOM (MD)	SACKS OF CEMENT
29. TUBING RECORD			
SIZE	DEPTH SET (MD)	PACKER SET (MD)	
30. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.			
DEPTH INTERVAL (MD) None		AMOUNT AND KIND OF MATERIAL USED	
31. PERFORATION RECORD (Interval, size and number) None			
32. PRODUCTION			
DATE FIRST PRODUCTION P&A		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	
WELL STATUS (Producing or shut-in) Producing		DATE OF TEST	
HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.
GAS—MCF.	WATER—BBL.	GAS—MCF.	GAS-OIL RATIO
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL GRAVITY-API (CORR.)
33. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)			
34. LIST OF ATTACHMENTS			
35. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records			
SIGNED <u>Ray A. Whelan</u>		TITLE <u>Operations Manager</u>	
DATE <u>4-1-92</u>		DATE <u>4-1-92</u>	

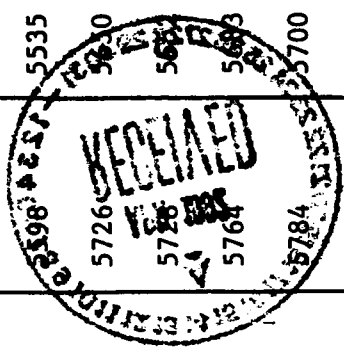
*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

OPERATOR

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, flowing and shut-in pressures, and recoveries):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	GEOLOGIC MARKERS		
				NAME	MEAS. DEPTH	TOP TRUE VERT. DEPTH
Core #1	5834	5844	Desert Creek, 100% recovery	Hermosa	4682	4676
				U. Ismay	5726	5535
				Hovenweep	5726	5535
				L. Ismay	5726	5535
				Gothic Shale	5726	5535
				Desert Crk	5726	5535
				Chimney Rock	5950	5846
				Akah	5973	5867



STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other (specify) <u>P & A</u>		6. Lease Designation and Serial Number NOG 8702-1116
2. Name of Operator Chuska Energy Company		7. Indian Allottee or Tribe Name Navajo Tribal
3. Address of Operator 3315 Bloomfield Hwy., Farmington, N.M. 87401		8. Unit or Communitization Agreement N/A
4. Telephone Number 505-326-5525		9. Well Name and Number Barnes 18M(N)
5. Location of Well 801' FSL & 1108' FWL (surface) Footage : 865' FSL & 1495' FWL (subsurface) QQ, Sec. T., R., M. : Sec. 18, T40S, R25E		10. API Well Number 43-037-31521
County : San Juan State : UTAH		11. Field and Pool, or Wildcat Wildcat

12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA	
NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<input type="checkbox"/> Abandonment <input type="checkbox"/> New Construction <input type="checkbox"/> Casing Repair <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Recompletion <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Shoot or Acidize <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Water Shut-Off <input type="checkbox"/> Other _____	<input type="checkbox"/> Abandonment * <input type="checkbox"/> New Construction <input type="checkbox"/> Casing Repair <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Shoot or Acidize <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Water Shut-Off <input checked="" type="checkbox"/> Other <u>P & A</u>
Approximate Date Work Will Start _____	Date of Work Completion _____ Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form. * Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

PLUG	EXCESS %	FR MD	TO MD	FT.	SX.	TOPS	ZONES COVERED
1	100	5950'	5498'	452	260	5598	Ismay, DC, Akah
2	100	4730'	4630'	100	60	4680	Hermosa
3	100	3570'	3470'	100	60	3520	Cedar Mesa
4	100	2732'	2630'	100	60	2682	DeChelly
5	100	1655'	1555'	100	60	1605	Chinle
6	100	954'	854'	100	60	904	Navajo
7	100	546'	456'	100	60		Surface Csg
8	**	50'	Surface	50	25		

SEP 10

14. I hereby certify that the foregoing is true and correct

Name & Signature Barry A. Wieland Title OPERATIONS MANAGER Date 5-27-93
 (State Use Only)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
BLM

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

Chuska Energy Company

3. Address and Telephone No.

3315 Bloomfield Highway, Farmington, NM 87401

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Section 18-T40S-R25E

801' FSL & 1108' FWL(surface)

865' FSL & 1495' FWL(subsurface)

CONFIDENTIAL

Navajo Tribal

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

Barnes 18M(N)

9. API Well No.

43-037-31521

10. Field and Pool, or Exploratory Area

Wildcat

11. County or Parish, State

San Juan County, Utah

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other P&A
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Plug	%	FR MD	TO MD	FT	SX	TOPS	ZONES COVERED
1	100Z	5950'	5498'	452	260	5598	Ismay, DC, Akah
2	100Z	4730'	4630'	100	60	4680	Hermosa
3	100Z	3570'	3470'	100	60	3520	Cedar Mesa
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5	100Z	1655'	1555'	100	60	1605	Chinle
6	100Z	954'	854'	100	60	904	Navajo
7	100Z	546'	456'	100	60		Surface csg shoe
8	**	50'	Surf	50	25		8 5/8" to surface
				645			

All plugs were class 'B' cement (1.18 ft³/sx). Plug 1 contained 2% CaCl₂ and was tagged prior to pumping plug #2. All plugs were displaced with mud. Verbal approval by Ken Townsend, BLM, to Larry A. Chambers, Chuska, 11:45am, 3-1-92. Release Aztec rig #222 @ 18:30pm, 3-2-92.

** Circulated to surface.

Approved as to plugging of the well bore.
Liability under bond is retained until
surface restoration is completed.

14. I hereby certify that the foregoing is true and correct

Signature: *[Signature]*

Title: Operations Manager

Date: 2-2-93

(This space for Federal or State office use)

Approved by:
Conditions of approval, if any:

Title:

APPROVED

*See U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent communication as to any matter within its jurisdiction.

*See instruction on Reverse Side

OPERATOR

AREA MANAGER

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
☐ Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

Chuska Energy Company

3. Address and Telephone No.

3315 Bloomfield Highway, Farmington, NM 87401

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Section 18-T40S-R25E

801' FSL & 1108' FWL(surface)

865' FSL & 1495" FWL(subsurface)

FORM APPROVED
Budget Bureau No. 1804-0
Expires: March 31, 1993

5. Lease Designation and Serial No.

NOG 8702-1116

6. If Indian, Allotment or Tribal No.

Navajo Tribal

7. If Unit or CA, Agreement No.

N/A

8. Well Name and No.

Barnes 18M(N)

9. API Well No.

43-037-31521

10. Field and Pool, or Exploration

Wildcat

11. County or Parish, State

San Juan County

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other P&A

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water
(Note: Report results of multiple Completion or Recompletion Rep)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Excess							ZONES COVERED
Plug	%	FR MD	TO MD	FT	SX	TOPS	
1	100%	5950'	5498'	452	260	5598	Ismay, DC, Akah
2	100%	4730'	4630'	100	60	4680	Hermosa
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** Circulated to surface.

I hereby certify that the foregoing is true and correct

By Larry A. Chambers Title Operations Manager

Date 2-2-92

(This space for Federal or State office use)

Approved by _____
Conditions of approval, if any: _____

I, the undersigned, make it a condition of my present knowledge and certify to the truth of the foregoing as to my knowledge and belief.

*See instruction on Reverse Side

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

6. Lease Designation and Serial Number

NOG 8702 - 1116

7. Indian Allottee or Tribe Name

Navajo Tribal

8. Unit or Communitization Agreement

N/A

9. Well Name and Number

Barnes 18M(N)

10. API Well Number

43-037-31521

11. Field and Pool, or Wildcat

Wildcat

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other (specify) P & A

2. Name of Operator

Chuska Energy Company

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3315 Bloomfield Hwy, Farmington, N.M. 87401

4. Telephone Number

505-326-5525

5. Location of Well

801' FSL & 1108' FWL (surface)

Footage : 865' FSL & 1495' FWL (subsurface)

County : San Juan

State : UTAH

QQ, Sec. T., R., M. : Sec. 18, T40S, R25E

12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT
 (Submit in Duplicate)

- | | |
|--|---|
| <input type="checkbox"/> Abandonment | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recompletion |
| <input type="checkbox"/> Conversion to Injection | <input type="checkbox"/> Shoot or Acidize |
| <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |

xx Other P&A

Approximate Date Work Will Start _____

SUBSEQUENT REPORT
 (Submit Original Form Only)

- | | |
|--|---|
| <input type="checkbox"/> Abandonment | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Shoot or Acidize |
| <input type="checkbox"/> Conversion to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |

Date of Work Completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

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8	**	50'	Surface	50	25		8 5/8" to Surface

All plugs will be class 'B' cement (1.18 ft³/sx). Plug 1 will contain 2% CaCl₂ and will be tagged prior to pumping plug #2. All plugs will be displaced with mud. Verbal approval by Ken Townsend, BLM, to Larry A. Chambers, Chuska, 11:45 A.M., 3-1-92.

** Circulate to Surface

14. I hereby certify that the foregoing is true and correct

Name & Signature

BARRY A. WIELAND

Title OPERATIONS MANAGER

Date 5-27-93

(State Use Only)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTRECEIVED
BLMFORM APPROVED
Budget Bureau No. 1004-0133
Expires: March 31, 1993

5. Lease Designation and Serial No.

NOG 8702-1116

6. If Indian, Allottee or Tribe Name

Navajo Tribal

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

Barnes 18M(N)

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43-037-31521

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Wildcat

11. County or Parish, State

San Juan County, Utah

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- ☒
- Notice of Intent
-
- ☐
- Subsequent Report
-
- ☐
- Final Abandonment Notice

TYPE OF ACTION

- ☐
- Abandonment
-
- ☐
- Recompletion
-
- ☐
- Plugging Back
-
- ☐
- Casing Repair
-
- ☐
- Alining Casing
-
- ☐
- Other P&A

- ☐
- Change of Plans
-
- ☐
- New Construction
-
- ☐
- Non-Routine Fracturing
-
- ☐
- Water Shut-Off
-
- ☐
- Conversion to Injection
-
- ☐
- Dispose Water

(Note: Report results of multiple completion on W.C.
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645

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**circulate to surface

14. I hereby certify that the foregoing is true and correct

Signed

Title Operations Manager

APPROVED
Date 3-2-92

(This space for Federal or State office use)

Approved by

Title

Conditions of approval, if any:

MAR 09 1992

AREA MANAGER

IN REPLY REFER TO
(019)

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT
FARMINGTON RESOURCE AREA
1235 LA PLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401

Attachment to Notice of

Re: Permanent Abandonment

Intention to Abandon

Well: 18 M(N) Barnes

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal Leases."
2. mark kelly with the Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 326-6201.
3. Blowout prevention equipment is required.
4. The following modifications to your plugging program are to be made (when applicable):

Office Hours: 7:45 a.m. to 4:30 p.m.

GENERAL REQUIREMENTS FOR
PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES
FARMINGTON RESOURCE AREA

1. Secure prior approval either on a Sundry Notice (Form 3160-5) or verbally from the Fluids Drilling & Production Section at this office before changing the approved plugging program.
2. Plugging equipment used shall have separate mixing and displacement pumps and a calibrated tank to assure proper displacement of plugs. The Operator is responsible for providing all measuring devices needed to assure proper measurement of materials being used.
3. A proper tank or pit will be used to contain all fluids pumped from the well during plugging operations. Unattended pits are to be fenced.
4. All cement plugs are to be placed through tubing (or drillpipe) and shall be a minimum of 100 feet in length with 50% excess inside casing or 100% excess when plug is set in open hole or squeezed into perforations. 15.6#/gal slurry weight is to be used when using class B neat cement or when CaCl_2 is used. Use the recommended slurry weight of other type cements when they are used (Class C, Pozzolan etc.).
5. Any cement plugs placed when well is not full of fluid, or when well may be taking fluid, (i.e. across perfs-unless bridge plug or retainer is used, across bad csg., or fresh water formations) will be tagged (touched) after cement has set to verify proper location.
 - 5a. Testing The first plug below the surface plug shall generally be tested by either tagging the plug with the working pipe string, or pressuring to a minimum pump (surface) pressure of 1000 psig, with no more than a 10 percent drop during a 15-minute period (cased hole only). If the integrity of any other plug is questioned, it must be tested in the same manner. Also, any cement plug which is the only isolating medium for a fresh water interval or a zone containing a valuable mineral deposit should be tested by tagging with the drill string.
6. Mud must be placed between plugs. Plugging mud is to be made up with a minimum of 15 lbs/bbl of sodium bentonite, and a nonfermenting polymer. Minimum consistency of plugging mud must be 9 lbs/gal and with a minimum viscosity of 50 sec/qt. Fresh water is to be utilized for mixing mud.
7. Following the placement of a cement plug, the withdrawal rate for at least the length of the cement plug shall not exceed 30 ft/min, in order to minimize the contamination of the plug.

8. Within 30 days after plugging work is completed, file a Sundry Notice (Subsequent Report of Abandonment, Form 3160-5), in quintuplicate with Area Manager, Bureau of Land Management, 1235 La Plata Highway, Farmington, NM 87401. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. Show date well was plugged.

9. All permanently abandoned wells are to be marked with a regulation marker (4" pipe extending 4' above the ground line) containing the information as specified in 43 CFR 3162.6(d). Unless otherwise approved.

10. After plugging work is completed the surface is to be rehabilitated in accord with instructions from the Fluids Surface Management Section of the Farmington Resource Area Office.

All above are minimum requirements. The period of liability under the bond of record will not be terminated until the lease is inspected and surface work approved.

Please advise this office when the well location is ready for final inspection.

Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to 43 CFR 3163.1.

You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	5. Lease Designation and Serial No. NOG 8702-1116
2. Name of Operator Chuska Energy Company	6. If Indian, Allottee or Tribe Name Navajo Tribal
3. Address and Telephone No. 3315 Bloomfield Highway, Farmington, NM 87401	7. If Unit or CA, Agreement Designation N/A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Section 18-T40S-R25E 801' FSL & 1108' FWL(surface) 865' FSL & 1495' FWL(subsurface)	8. Well Name and No. Barnes 18M(N)
	9. API Well No. 43-037-31521
	10. Field and Pool, or Exploratory Area Wildcat
	11. County or Parish, State San Juan County, Utah

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all major zones pertinent to this work.)

Plug	%	FR MD	TO MD	FT	SX	TOPS	ZONES COVERED
1	100%	5950'	5498'	452	260	5598	Ismay, DC, Akah
2	100%	4730'	4630'	100	60	4680	Hermosa
3	100%	3570'	3470'	100	60	3520	Cedar Mesa
4	100%	2732'	2632'	100	60	2682	DeChelly
5	100%	1655'	1555'	100	60	1605	Chinle
6	100%	954'	854'	100	60	904	Navajo
7	100%	546'	456'	100	60		Surface csg shoe
8	**	50'	Surf	50	25		8 5/8" to surface

645

All plugs will be class 'B' cement (1.18 ft³/sx). Plug 1 will contain 2% CaCl₂ and will be tagged prior to pumping plug #2. All plugs will be displaced with mud. Verbal approval by Ken Townsend, BLM, to Larry A. Chambers, Chuska, 11:45am, 3-1-92.
**circulate to surface

14. I hereby certify that the foregoing is true and correct

Signature [Signature] Title Operations Manager Date 3-2-92

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

6. Lease Designation and Serial Number

NOG 8702-1116

7. Indian Allottee or Tribe Name

Navajo Tribal

8. Unit or Communitization Agreement

N/A

9. Well Name and Number

Barnes 18M(N)

10. API Well Number

43-037-31521

11. Field and Pool, or Wildcat

Wildcat

SUNDRY NOTICES AND REPORTS ON WELLS

1. Type of Well to be drilled or completed:
☒ Oil Well ☐ Gas Well ☐ Other (specify) _____

2. Name of Operator

Chuska Energy Company

3. Address of Operator

3315 Bloomfield Highway, Farmington, N.M. 87401

4. Telephone Number

505-326-5525

5. Location of Well

801' FSL & 1108' FWL (Surface)

Footage : 865' FSL & 1495' FWL (Subsurface)

OO, Sec. T., R., M. : Sec. 18, T40S, R25E

County : San Juan

State : UTAH

12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT (Submit in Duplicate)

- | | |
|--|---|
| <input type="checkbox"/> Abandonment | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recompletion |
| <input type="checkbox"/> Conversion to Injection | <input type="checkbox"/> Shoot or Acidize |
| <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other <u>Spud/Surface Casing</u> | |

Approximate Date Work Will Start _____

SUBSEQUENT REPORT (Submit Original Form Only)

- | | |
|--|---|
| <input type="checkbox"/> Abandonment * | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Shoot or Acidize |
| <input type="checkbox"/> Conversion to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |

Date of Work Completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

MIRU Aztec 222. Spud 12 1/4" hole between 8-10 P.M., 2-12-92. Drill to 515' +/- RU & ran 12 jts 8 5/8", 24lb, K-55, ST&C Csg. Set at 515'. Cement w/370 sx of class 'G' & 2% CaCl₂ and 1/4#sk celloflake. Good circulation of cement to surface. Notification of spud by Larry A. Chambers to BLM, recording @ 4:00 P.M. on 2-12-92.

14. I hereby certify that the foregoing is true and correct

Name & Signature

BARRY A. WIELAND

Title OPERATIONS MANAGER

Date 5-27-93

(State Use Only)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Chuska Energy Company

3. Address and Telephone No.

3315 Bloomfield Highway, Farmington, NM 87401 505-326-5525

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Section 18-T40S-R25E

801'FSL & 1108'FWL (Surface)

865'FSL & 1495'FWL (Subsurface)

5. Lease Designation and Serial No.

NOG 8702-1116

6. If Indian, Allottee or Tribe Name

Navajo Tribal

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

Barnes 18M(N)

9. API Well No.

43-037-31521

10. Field and Pool, or Exploratory Area

Wildcat

11. County or Parish, State

San Juan County, Utah

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other Spud/Surface Casing

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

Note: Report results of multiple completion on "Well Completion or Recompletion Report and Log form."

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all pertinent zones pertinent to this work.)

MIRU Aztec 222. Spud 12 1/4" hole between 8-10pm, 2-12-92. Drill to 515'+/- RU & ran 12 jts 8 5/8", 24lb, K 55, ST&C Csg. Set at 515'. Cement w/ 370 sx of class 'G' & 2% CaCl2 and 1/4lb sk celloflake. Good circulation of cement to surface. Notification of spud by Larry A. Chambers, to BLM, Recording @ 4:00pm on 2-12-92.

ACCEPTED FOR RECORD

FEB 14 1992

FARMINGTON RESOURCE AREA

BY E. G. J.

14. I hereby certify that the foregoing is true and correct

Signed

Larry A. Chambers

Title Operations Engineer

Date 2-13-92

(This space for Federal or State office use)

Approved by

Conditions of approval, if any:

Title

Date

OPERATOR



2nd June

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401

IN REPLY REFER TO:
3162.3-4 (019)
NOG-8702-1116 (WC)

43-037-31521

MAR 19 1992



Chuska Energy Company
3315 Bloomfield Highway
Farmington, NM 87401

Dear Sir:

The following surface rehabilitation stipulations must be complied with as applicable, before the 18M (N) Barnes well located 801' FSL/1108'FWL, Sec. 18, T. 40 S., R. 25 E., lease no. NOG-8702-1116 can be approved for final abandonment (see 43 CFR 3162.3-4).

1. A permanent monument must be cemented in the wellbore. It must be labeled with the operators name, well name and number, legal location, and lease number (see 43 CFR 3162.6).
2. All fences, production equipment, purchaser's equipment, concrete slabs, deadman (anchors), flowlines, risers, debris and trash must be removed from the location.
3. Any oily soil or fluids must be properly disposed of in an approved disposal area.
4. Pits must be filled in and the edges of the pads shaped to conform to the natural terrain.
5. Pads must be leveled, dressed up by a maintainer, ripped and disked.
6. Access roads must be leveled, waterbarred, disked and blocked off with earthen berms at the junction with the main road and at the entrance to the well pad. Waterbars should be spaced as shown below.

<u>% Slope</u>	<u>Spacing Interval</u>
Less than 2%	200'
2 to 5%	150'
6 to 9%	100'
10 to 15%	50'
Greater than 15%	30'

All waterbars should divert water to the downhill side of the road.

7. All disturbed areas will be seeded between July 1 and Sept. 15 with the prescribed seed mix. (Reseeding may be required).

8. Notify Surface Managing Agency seven (7) days prior to seeding so they may be present for that operation.

Other Surface Managing Agencies (SMA's) may vary slightly in their restoration requirements. It is your responsibility, as the operator, to obtain surface restoration requirements from other SMA'S. We need to be provided with a copy of these requirements. Any problems concerning stipulations received from other SMA's should be brought to us.

On private land, we should be provided with a letter from the fee owner stating that the surface restoration is satisfactory.

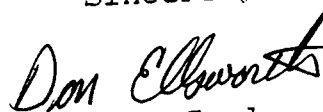
If the rehabilitation stipulations have been completed, please sign below and return this letter to:

Farmington Environmental Protection Staff
1235 La Plata Highway
Farmington, NM 87401

If the surface restoration has not yet been completed, notify us by Sundry Notice upon completion. We will schedule an inspection to check the well site after we receive notice from you that the vegetation has become established.

If you have any questions, please contact the Environmental Protection Staff at (505) 327-5344.

Sincerely.


Mike Pool
for Area Manager

The above mentioned well has been abandoned and the required surface restoration stipulations completed.

Signed

Date

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

6. Lease Designation and Serial Number
 NOG 8702-1116

7. Indian Allottee or Tribe Name

Navajo Tribal

8. Unit or Communitization Agreement

N/A

1. Type of Well
☒ Oil Well
☐ Gas Well
☐ Other (specify)

9. Well Name and Number

Barnes 18 M(N) (~~18M(N)~~)

2. Name of Operator

Chuska Energy Company

3. Address of Operator

3325 Bloomfield Highway, Farmington, N.M. 87401

4. Telephone Number

505-326-5525

10. API Well Number

43-037-31521 X

11. Field and Pool, or Wildcat

Wildcat

5. Location of Well
 801' FSL & 1108' FWL (Surface)
 Footage : 865' FSL & 1495' FWL (Sub-surface)
 QQ, Sec. T., R., M. : SW/4SW/4, Sec. 18, T40S, R25E

County : San Juan

State : UTAH

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 (Submit in Duplicate)

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| <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |

☒ Other Name Change and Bottom Hole
 Location Change
 Approximate Date Work Will Start _____

SUBSEQUENT REPORT
 (Submit Original Form Only)

- | | |
|--|---|
| <input type="checkbox"/> Abandonment * | <input type="checkbox"/> New Construction |
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| <input type="checkbox"/> Other _____ | |

Date of Work Completion _____

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13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Following further seismic program review, Chuska has changed the sub-surface location of the Barnes 18M well. The well is to be drilled as a directional well under the name Barnes 18M(N). Attached is a revised 10 Point Drilling Plan, a Detailed Drilling Program and a revised Well Location Plat. Chuska anticipates spudding this location the last week of February, 1992.

14. I hereby certify that the foregoing is true and correct

Name & Signature Barry A. Wieland BARRY A. WIELAND

Title OPERATIONS MANAGER Date 5-27-93

(State Use Only)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTRECEIVED
BLMFORM APPROVED
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Expires: March 31, 1993

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Lease Designation and Serial No.

8702-1116

6. If Indian, Allottee or Tribe Name

Navajo Tribal

7. If Unit or CA. Agreement Designation

N/A

8. Well Name and No.

Barnes 18 M(N)

9. API Well No.

43-037-31521

10. Field and Pool, or Exploratory Area

Wildcat

11. County or Parish, State

San Juan County, UT

SUBMIT IN TRIPLICATE

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☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Chuska Energy Company

3. Address and Telephone No.

3315 Bloomfield Highway, Farmington, NM 87401 505-326-5525

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Township 40 South, Range 25 East
Section 18: SW/4SW/4

801' FSL & 1108' FWL (Surface)

865' FSL & 1495' FWL (Sub-Surface)

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

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- Notice of Intent
-
- ☐
- Subsequent Report
-
- ☐
- Final Abandonment Notice

TYPE OF ACTION

- ☐
- Abandonment
-
- ☐
- Reentry
-
- ☐
- Plugging Back
-
- ☐
- Casing Repair
-
- ☐
- Lining Casing
-
- ☒
- Other Name Change and
-
- bottom hole location change

- ☒
- Change of Plans
-
- ☐
- New Construction
-
- ☐
- Non-Routine Fracturing
-
- ☐
- Water Shut-Off
-
- ☐
- Conversion to Injection
-
- ☐
- Dispose Water

(Note: Report results of multiple completion or re-completion on the Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Following further seismic program review, Chuska has changed the sub-surface location of the Barnes 18M well. The well is to be drilled as a directional well under the name Barnes 18M(N). Attached is a revised 10 Point Drilling Plan, a Detailed Drilling Program and a revised Well Location Plat. Chuska anticipates spudding this location the 1st week of February 1992

"Approval of this action does
not warrant that the applicant
holds legal or equitable rights
or title to this lease."

14. I hereby certify that the foregoing is true and correct

Signed

Title

Operations Manager

(This space for Federal or State office use)

Approved by

Title

Conditions of approval, if any:

APPROVED

FEB 05 1992

AREA MANAGER

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

OPERATION

CHUSKA ENERGY COMPANY

**BARNES 18 M(N)
SECTION 18, TOWNSHIP 40S, RANGE 25E
801' FSL & 1108' FWL (surface)
865' FSL & 1495' FWL (subsurface)
San Jua County, Utah**

10 POINT DRILLING PLAN

SURFACE FORMATION:

Geological name of surface formation: Morrison

ELEVATION:

Surface elevation is 4826' GR/ 4839' KB

ESTIMATED FORMATION TOPS

TD	FORMATION	SUB-SEA ELEV.
889'	Navajo	+3950'
1584'	Chinle	+3255'
2694'	DeChelly	+2145'
2812'	Organ Rock	+2027'
3507'	Cedar Mesa	+1332'
4607'	Hermosa	+232
5531'	Upper Ismay	-692'
5639'	Lower Ismay	-800 Secondary
5699'	Desert Crk	-860' Primary
5861	Akah	-1022
5911'	Total Depth	-1072

4. PROPOSED CASING/CEMENTING PROGRAM

	DEPTH	SIZE	WEIGHT	GRADE	COUPLING
SURFACE	500'	8 5/8"	24.0 ppf	K-55	STC
PROD.	5,910'	5 1/2"	15.5 ppf	J-55	LTC

SURFACE CEMENTING:

370 sx Class 'G' Cement with 2% CaCl and 1/4 lb/sk Celloflake. Weight = 15.8 ppg, yield = 1.15 ft3/sk. Slurry volume will be calculated at 100% excess over annular volume.

PRODUCTION CEMENTING:

First Stage

TD to 3500' (stage collar @ +3500'). Lead with 311 sx Class 'G' cement, 65:35 Pozmix with 6% gel and 1/4 lb/sk Celloflake. Weight = 12.7 ppg, yield = 1.85 ft³/sk. Tail with 100 sx Class 'G' cement with 2% CaCl₂. Weight = 15.8 ppg, yield = 1.15 ft³/sk. Total of 691 ft³ w/ 30% excess.

SECOND STAGE

3500' to surface. Lead with 480 sx Class 'G' cement, 65:35 Pozmix with 6% gel and 1/4 lb/sk Celloflake. Weight = 12.7 ppg, yield = 1.85 ft³/sk. Tail with 100 sx Class 'G' cement with 2% CaCl₂. Weight = 15.8 ppg, yield = 1.15 ft³/sk. Total of 1004 ft³ w/ 30% excess.

NOTE: Exact slurry volumes for the production string will be adjusted according to the caliper log which will be run prior to cementing. Special adjustments may be necessary if significant amounts of salt are drilled.

CENTRALIZERS:

8 5/8" Surface String: Center of shoe jt, jt.3, jt.5, jt.7, and surface jt.

5 1/2" Production String: Center of shoe jtl, jt.2, jt.4, jt.6, jt.8, and every 3rd jt., up to DV Tool @ +/-3500'. Four (4) centralizers through DeChelly and two (2) centralizers @ surface.

NOTE: Put asterik on each pipe tally joint for each centralizer installed.

5. BLOWOUT PREVENTER (SEE ATTACHED SCHEMATICS)

As abnormal pressure is not anticipated, a 2000 psi BOP system would be sufficient for the drilling of this well. However, due to availability constraints, a 3000 psi system will be used, as per attached Exhibits "A" and "B". This will be a 10" x 900 series double ram preventer, equipped with a set of pipe and blind rams.

An accumulator system, with a pressure capacity sufficient to operate the rams three complete cycles without rig power, will be required as part of the rig equipment.

SEP 10 1993

6. PROPOSED MUD PROGRAM

Surface to 3500'

Fresh water, gel, lime and native solids. Weight 8.3 - 8.7 ppg. Gel/lime sweeps are necessary for hole cleaning.

3500' to TD

Low solids, non-dispersed polymer system. Weight 8.6 - 8.8 ppg. Gel/lime sweeps as hole conditions dictate for hole cleaning. Fluid loss to be maintained at 15 cc or less. Fluid loss to be further reduced to 10 cc or less prior to coring, logging or DSTS.

7. AUXILIARY EQUIPMENT

- A. A kelly cock will be installed during drilling operations, with handle available on rig floor.
- B. Full (Opening) Safety (FOSY) valves will be available, on the rig floor at all times, with necessary subs to fit all of the drilling assemblies.
- C. Mud will be the circulating fluid. No abnormal formation pressures are expected.

8. WELL EVALUATION

Open hole electric logging program will consist of a minimum program of DLL-MSFL-SP-GR-Cal, FDC-CNL-GR-Lithodensity from TD - 4000'

Drill stem testing will be as per the wellsite geologists' recommendations, based on shows. A mud logging unit will be utilized during drilling operations from 4000' to TD.

9. ABNORMAL PRESSURES/GAS

Abnormal pressures are not anticipated. Monitoring of gas and hydrocarbon shows will be by wellsite mud logging unit. H₂S gas is not anticipated, however, regular checks will be made while drilling the well.

10. TIMING

The drilling and evaluation of this well is estimated be 15 days. Anticipated drilling will be February '92.

SEP 10

DETAILED DRILLING PROGRAM

DATE: January 17, 1992

WELL NAME: Barnes WELL NO.: 18 M(N)

LOCATION: Section 18-Township 40S, Range 25E
801' FSL & 1108' FWL (surface)
865' FSL & 1495' FWL (subsurface)

ELEVATION: 4826' GR / 4839' KB

TOTAL DEPTH: 5911' KB

PROJECTED HORIZON: Primary Target is Desert Crk @ 5699'
Secondary Target is lower Ismay @ 5639'

DRILLING, CASING AND CEMENTING PROGRAM

1. Move in and rig up rotary tools. Notify BLM of time of spud.
2. Drill mouse hole and rat hole. Mix mud prior to spudding well.
3. Drill 12 1/4" hole to +/- 515'. Use fresh water gel/lime spud mud for drilling surface hole. Well bore inclination is not to exceed 1 degree at 500'. Deviation surveys will be run at least at 250' and at casing point.
4. Run 8 5/8", 24 lb/ft, K-55, ST&C casing to 515'. Cement with 370 sx (426 ft³) of Class 'G' cement with 2% CaCl₂ and 1/4 #/sk Celloflake (sufficient slurry volume to circulate cement to surface.)
5. W.O.C. a minimum of 4 hours prior to nipping up for BOP stack and related equipment. See BOP schematics for details.
6. Ensure that plug has been down at least 8 hours prior to commencing pressure testing procedures. Pressure test BOP to 2,500 psig for 30 minutes. Pressure test manifold and all related equipment to 2,500 psig. Pressure test casing to 2000 psig for 30 min.
7. Drill out surface casing with 7 7/8" bit. Drill 7 7/8" hole to TD. Deviation surveys are to be taken every 500' or on a bit trip, whichever occurs first.

SEP 0 1992

8. Run open hole logs and evaluate. Coring and/or drill stem testing will be as per well site geologist's recommendation.
9. If the well is determined to be productive run 5 1/2" casing to TD., as per casing program in 10 Point Drilling Plan. Set stage cementing collar at +/- 3,500 ft. In addition to placing centralizers over potential production zones, they will also be run to cover the aquifer sands of the Navajo and DeChelly formations, as per BLM stipulations. Cement production casing in two stages as per cementing program in 10-Point Drilling Plan.
10. Nipple down BOPE. Set 5 1/2" casing slips and cut off casing. Install well head. Release drilling rig and move rig off location.
11. If well is non-productive it will be plugged and abandoned as per State, BLM, and Navajo Tribal stipulations.

SEP 10 1988

Barnes 18 M(N)
Section 18, Township 40S, Range 25E
801' FSL & 1108' FWL (surface)
865' FSL & 1495' FWL (subsurface)
San Juan County, Utah

GENERAL COMPLETION PROCEDURE:

If the well is determined to be productive, move in completion rig. Perforate, acidize, and test each productive porosity zone. Completion work will commence after Sundry Notice approval is received. Detailed procedures will follow.

PLUGGING AND ABANDONMENT:

If the well is determined not to be productive, the well bore will be plugged as per BLM, State and BIA requirements.

11. OPERATORS REPRESENTATIVE

CHUSKA ENERGY COMPANY
3315 BLOOMFIELD HIGHWAY
FARMINGTON, NM 87401
BARRY A. WIELAND

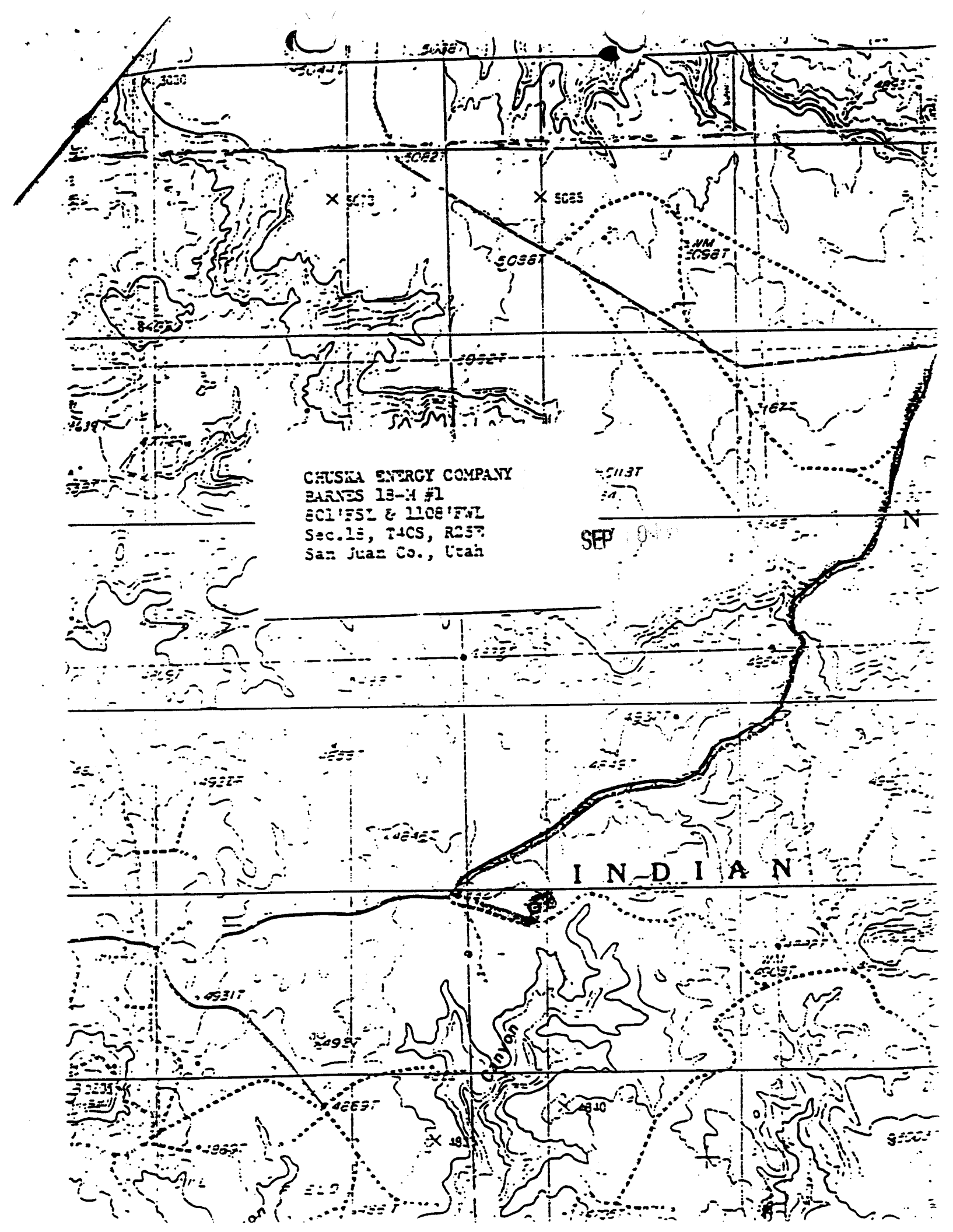
12. CERTIFICATION

I hereby certify that either I, or persons under my direct supervision have inspected the proposed drill site and access route: that I am familiar with the conditions which presently exist: that the statements made in this plan are, to the best of my knowledge, true and correct and that the work planned will be performed by Chuska Energy, or its sub-contractors, in conformity with the terms and conditions under which it is approved.



BARRY A. WIELAND
OPERATIONS MANAGER

SEP 9 1981



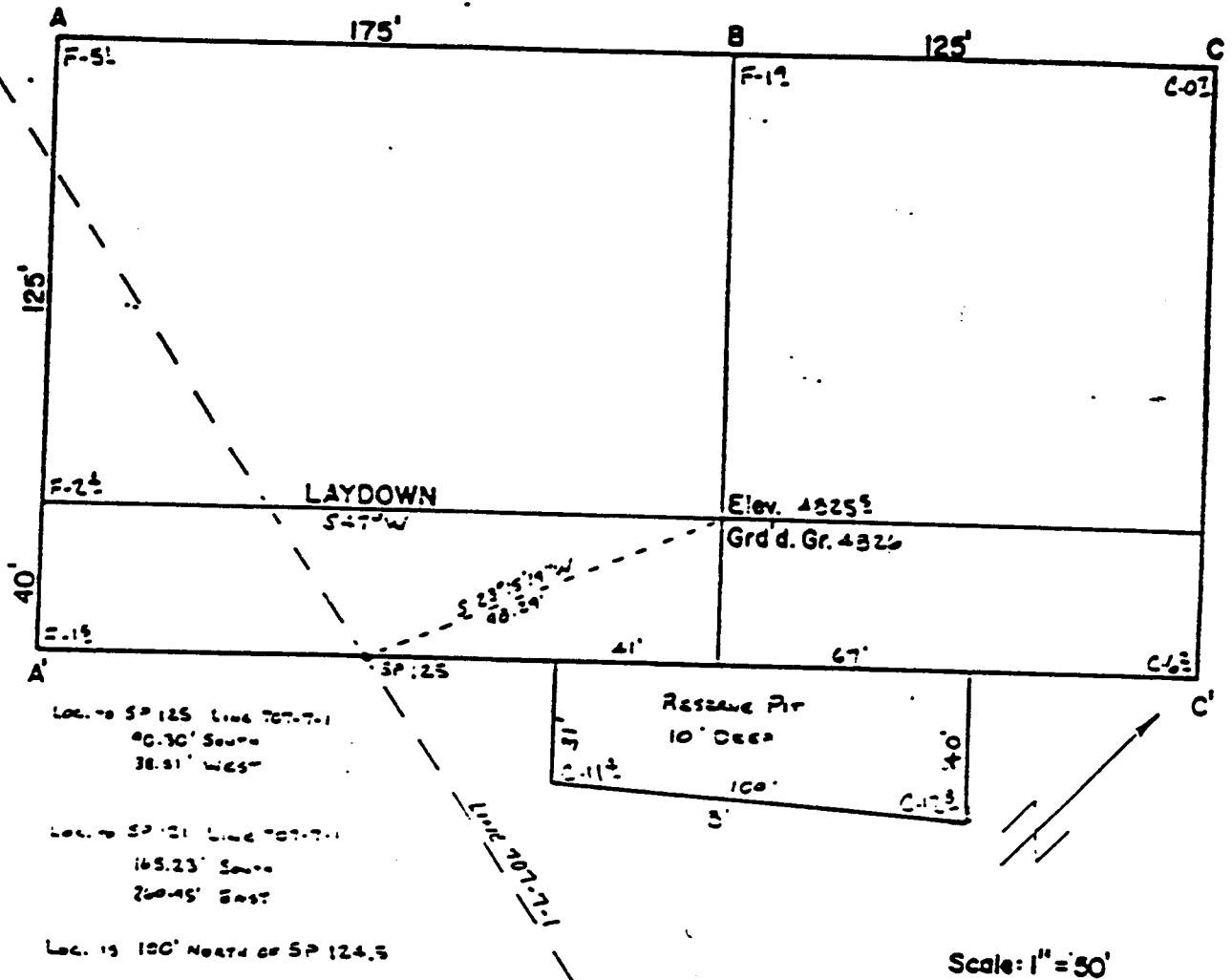
CHUSKA ENERGY COMPANY
BARNES 13-M #1
801' FSL & 1108' FWL
Sec. 13, T4CS, R25E
San Juan Co., Utah

SEP 0 19 19

INDIAN

CHUSKA ENERGY COMPANY
 BARNES 19-M #1
 801' FSL & 1108' FWL
 Sec. 13, T40S, R25E
 San Juan Co., Utah

SEP 10 1993



Scale: 1" = 50'

A-A'		Vert.: 1" = 30'		Hertz.: 1" = 100'		C/L	
4335							
4325							
B-B'		Vert.: 1" = 30'		Hertz.: 1" = 100'		C/L	
4335							
4325							
C-C'		Vert.: 1" = 30'		Hertz.: 1" = 100'		C/L	
4335							
4325							

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS		6. Lease Designation and Serial Number NOG 8702-1116
1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other (specify) _____		7. Indian Allottee or Tribe Name Navajo Tribal
2. Name of Operator Chuska Energy Company		8. Unit or Communitization Agreement N/A
3. Address of Operator 3315 Bloomfield Highway, Farmington, N.M. 87401		9. Well Name and Number Barnes 18M X (N)
4. Telephone Number 505-326-5525		10. API Well Number 43-037-31521 X
5. Location of Well Footage 801' FSL, 1108' FWL QQ, Sec. T., R., M. Sec. 18, T40S, R25E		11. Field and Pool, or Wildcat Wildcat
12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		

NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<input type="checkbox"/> Abandonment <input type="checkbox"/> Casing Repair <input type="checkbox"/> Change of Plans <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Multiple Completion <input checked="" type="checkbox"/> Other <u>APD Extension</u>	<input type="checkbox"/> Abandonment <input type="checkbox"/> Casing Repair <input type="checkbox"/> Change of Plans <input type="checkbox"/> Conversion to Injection <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Other _____
<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recompletion <input type="checkbox"/> Shoot or Acidize <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Shoot or Acidize <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off
Approximate Date Work Will Start _____	Date of Work Completion _____
Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form. * Must be accompanied by a cement verification report.	

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Following further seismic and geological evaluation, the drilling of this well has been delayed. Chuska Energy Company therefore applies for an extension to the approval of the APD on the subject well.

14. I hereby certify that the foregoing is true and correct

Name & Signature

BARRY A. WIELAND

Title OPERATIONS MANAGER

Date 5-27-93

(State Use Only)

(June 1990)

REC'D

JUN 05 1991

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Chuska Energy Company

3. Address and Telephone No.

3315 Bloomfield Highway, Farmington, NM 87401 505-326-5525

4. Location of Well (Footage, Sec., T., R., N., or Survey Description)

801' FSL, 1108' FWL, S18, T40S, R25E

Expires: March 31, 1991

5. Lease Designation and Serial No.

NOG 8702-1116

6. If Indian, Allotment or Tribe Name

Navajo Tribal

7. If Unit or GA, Agreement Designation

8. Well Name and No.

Barnes 18M 1

9. API Well No.

43-037-31521

10. Field and Pool, or Exploratory Area

Wildcat

11. County or Parish, State

San Juan, Utah

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment

☐ Recompletion

☐ Plugging Back

☐ Casing Repair

☐ Altering Casing

☒ other APD Extension

☐ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut-off

☐ Conversion to Injection

☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

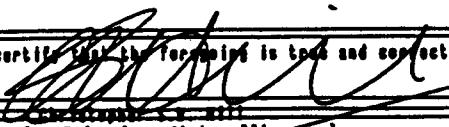
Following further seismic and geological evaluation, the drilling of this well has been delayed. Chuska Energy therefore applies for an extension to the approval of the APD on the subject well.

SEP 10 1990

THIS APPROVAL EXPIRES JUN 03 1992

14. I hereby certify that the foregoing is true and correct

Signed



Title Operations Engineer

Date 17 May 91

(This space for Federal or State official use)

Approved by

Title

Date

Conditions of approval, if any

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instructions On Reverse Side

OPERATOR

APPROVED

JUN 03 1991

AREA MANAGER



CHUSKA ENERGY COMPANY

3315 BLOOMFIELD HIGHWAY • FARMINGTON, NEW MEXICO 87401 • PHONE: (505) 326-5525

17 May, 1991

Bureau of Land Management
1235 La Plata Highway
Farmington, New Mexico 87401

ATTENTION: Ron Fellows

Ref: Sundry Notice: Barnes 18M 1 Well
Application for Extension of APD Approval

Dear Mr. Fellows,

Attached for your examination and approval are the original and six copies of the subject Sundry Notice.

Please advise if you require additional information concerning this submission.

Sincerely,

SEP 10 1993

Larry G. Sessions
Larry G. Sessions
Operations Manager

LGS/csw
File: C:\WP51\BARNES.18M\EXAPDSUN.CVR

encl.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT--" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil ☐ Gas ☐ Other
☐ Well

2. Name of Operator

Chuska Energy Company

3. Address and Telephone No.

3315 Bloomfield Highway, Farmington, NM 87401 505-326-5525

4. Location of Well (Footage, Sec., T., R., or Survey Description)

801' FSL, 1108' FWL, S18, T40S, R25E

FORM APPROVED

Budget Bureau No. 1004-0135

Expires: March 31, 1993

5. Lease Designation and Serial No.

NOG 8702-1116

6. If Indian, Allottee or Tribe Name

Navajo Tribal

7. If Unit or GA, Agreement Designation

8. Well Name and No.

Barnes 18M 1

9. API Well No.

43-037-31521

10. Field and Pool, or Exploratory Area

Wildcat

11. County or Parish, State

San Juan, Utah

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ other APD Extension
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Following further seismic and geological evaluation, the drilling of this well has been delayed. Chuska Energy therefore applies for an extension to the approval of the APD on the subject well.

14. I hereby certify that the foregoing is true and correct

Signed

Title Operations Engineer

Date 17 May 91

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instructions On Reverse Side



CHUSKA ENERGY COMPANY

3315 BLOOMFIELD HIGHWAY • FARMINGTON, NEW MEXICO 87401 • PHONE: (505) 326-5525

September 7, 1993

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Attn: Mr. R.J. Firth
Associate Director

RECEIVED

SEP 10 1993

DIVISION OF
OIL, GAS & MINING

RE: Utah Division of Oil, Gas and Mining's
Reporting Requirements

Dear Mr. Firth:

Enclosed please find the following reports and well logs run on wells drilled by Chuska Energy Company during the period January 1, 1992 forward. The Production Reports were filed in June under a separate cover letter by our home office, Harken Energy Company, out of Dallas. We have received conflicting statements as to whether or not the data was received. Therefore, a second set of Production reports from January 1992 forward are also forwarded to your office under this cover letter.

APD(S), SUNDRY NOTICES AND ENTITY ACTION FORMS

Barnes 18M
Barnes 18M(N)
Brown Hogan 1A-2
Burro 33I
Clay Hill 33-0
Crane 35H
Copperhead 15E
D.C. Anticline 35K
Heron 35H
Heron 35H(A)
Jack 31G
Kokopelli 29I
Lark 19B
Lark 19B(G)
Lighting Rock 2E
Lizard 4M
Lone Mountain Creek 12F-1

RECEIVED

SEP 10 1993

DIVISION OF
OIL, GAS & MINING

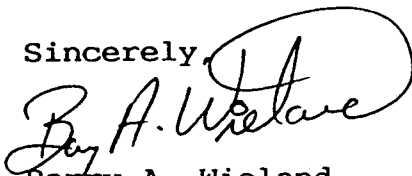
Monument 17E-2
Mule 31K
Mule 31K(N)
Mule 31M
NW Cajon 1I-1
North Heron 35C
Northwest Cajon 6E
North Cajon Mesa 5E-1
North Ruins 16K
Red Lake 25B
Tower 1F
Box Canyon 5F
Shalene 11K
South Triangle 7I
West Clay Hill 5B(A)

LOGS

Barnes 18M(N)
Brown Hogan 1A-2
Burro 33I
Clay Hill 33-0
Copperhead 15E
D.C. Anticline 35K
Heron 35H
Jack 31G
Kokopelli 29I
Lark 19B(G)
Lighting Rock 2E
Lone Mountain Creek 12F-1
Mule 31K(N)
Mule 31M
North Cajon Mesa 5E-1
North Heron 35C
N.W. Cajon 1I-1
N.W. Cajon 6E
Red Lake 25B
West Clay Hill 5B(A)

If you should have any further questions, please don't
hesitate to contact me, or Nell Lindenmeyer, at 505-326-
5525.

Sincerely,



Barry A. Wieland
Operations Manager

Enclosures
cc: Well File

ENTITY ACTION FORM - FORM 6

ADDRESS _____

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	11548	43-037-31518	<i>Conf.</i> NORTH RUINS 16L-1	NWSW	16	40S	25E	SAN JUAN		10-19-93
WELL 1 COMMENTS:											
A	99999	11549	43-037-31552	<i>Conf.</i> MONUMENT 17L-3	NWSW	17	40S	25E	SAN JUAN		10-19-93
WELL 2 COMMENTS:											
A	99999	11550	43-037-31521	<i>Conf.</i> BARNES 18M #1	SWSW	18	40S	25E	SAN JUAN		10-19-93
WELL 3 COMMENTS:											
A	99999	11551	43-037-31553	<i>Conf.</i> MONUMENT 18H #2	SENE	18	40S	25E	SAN JUAN		10-19-93
WELL 4 COMMENTS:											
A	99999	11552	43-037-31496	<i>Conf.</i> BIG BEND 7A-1	NENE	7	40S	26E	SAN JUAN		10-19-93
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

Le
L. CORDOVA (DOGM)
Signature

ADMIN. ANALYST 10-19-93
Title Date

Phone No. () _____